

360 ACCOUNTING – CORONAVIRUS UPDATE 23 OCTOBER 2020  
MARTIN SWAIN, DIRECTOR



*Over the past few weeks, the Government has announced a variety of new schemes for the winter period aimed at continuing the support for businesses and individuals throughout the disruption caused by coronavirus (COVID-19). Here's a short summary of all the updates contained within this document:*

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#### **GENERAL SUPPORT & ADVICE**

- With many businesses now returning to work at least part-time, don't forget to [carry out a full risk assessment](#) to make sure your workplace is still safe and secure.
- Payment holidays for financial products such as [mortgages, vehicle financing, and other financial commitments](#) are coming to an end with most lenders on 31 October – make sure to get yours in ASAP to avoid any impact on your credit score.
- If you deferred [VAT payments](#) earlier this year, you must pay these by **31 March 2021**, or you can now apply to spread the cost over several months to the end of March 2022! However, the deadline for [deferred Income Tax \(self-assessment\)](#) payments remains unchanged as **31 January 2021**.
- Rebates and tax reliefs from schemes such as the [Research & Development tax credits](#) and Patent Box relief may be a big boost for your business at this time, and our [360 Research & Development team](#) may be able to help!

#### **BUSINESS SUPPORT**

- The Chancellor recently announced a [Self-Employment Income Support Scheme \(SEISS\) Grant Extension](#) for sole traders and partnership members, as the pandemic continues, with the first of two additional grants covering 40% of average monthly profits in relation to the 3-month period from 1 November to 31 January.
- As the first furlough scheme, the [Coronavirus Job Retention Scheme \(CJRS\)](#), comes to an end on 31 October 2020, the Chancellor has provided further information on it's replacement, the [Job Support Scheme \(JSS\)](#), which takes effect from 1 November 2020.
- HMRC ramps up investigations into fraudulent [CJRS claims](#), with around £3.5 billion of payments (between 5-10%) which may have been claimed fraudulently or incorrectly as a result of error. Employers are reminded to ensure they keep all relevant calculations and documentation to back up each and every CJRS claim.
- If you haven't had contact from your local council, make sure you've checked your eligibility for receiving business rates holidays for [retail, hospitality, leisure](#), and [nursery sectors](#), and grants through the [Small Business Grant Fund \(SBGF\)](#), [Retail, Hospitality, and Leisure Grant Fund \(RHLGF\)](#), or [Local Authority Discretionary Grants Fund \(LADGF\)](#).

#### **GRANTS & LOANS**

- Grants available from local councils through the [SBGF](#), [RHLGF](#), and [LADGF](#) schemes have now ended. If you didn't receive a grant prior to 30 September which you believe you're entitled to, get in touch with your local council.
- The new [Local Restrictions Support Grant \(LRSRG\)](#) has launched, supporting Tier 2 and Tier 3 businesses.
- Loans are still available through the [CBILS](#), [CLBILS](#), and [BBLs](#) until **30 November 2020**.

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## **BUSINESS SUPPORT**

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## **GRANTS & LOANS**

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*(Click the link to jump to that section in the document!)*

We have attempted to summarise all the key aspects of the above schemes within this document, however should you require more detailed or further information, please go to: <https://www.gov.uk/coronavirus/business-support>.

HMRC have also launched a Coronavirus Business Support Finder tool, which helps both employers and the self-employed easily find which schemes and support for which they may be eligible: <https://www.gov.uk/business-coronavirus-support-finder>.

## 1. Guidance on risk assessments and returning to your workplace after the coronavirus (COVID-19) pandemic

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As an employer, it is important that you make your workplace as safe as possible for your employees, customers, and other visitors. One easy way to ensure this is to perform a risk assessment to try to identify any risks within the workplace, and to put into place provisions to prevent these risks.

The Health and Safety Executive is the UK government agency responsible for health and safety advice, and their website contains a lot of information – including on [how to perform a risk assessment](https://www.hse.gov.uk/news/working-safely-during-coronavirus-outbreak.htm) – regarding going back to work after the coronavirus outbreak: <https://www.hse.gov.uk/news/working-safely-during-coronavirus-outbreak.htm>.

The ACAS website may also provide useful guidance on the topics of planning your return to work, and discussing procedures with staff who are returning to work, or may be anxious about their return to work: <https://www.acas.org.uk/coronavirus/returning-to-the-workplace>.

In addition, the GOV.UK website has a lot of information aimed at specific industries or types of workplace which may be useful: <https://www.gov.uk/guidance/working-safely-during-coronavirus-covid-19>.

## 2. Deferred VAT payments can now be spread up to March 2022

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For more information, please go to: <https://www.gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19>

For VAT payments that fell within the period 20 March 2020 until 30 June 2020 (i.e. for quarterly and monthly VAT return payments for the periods ending in February, March and April), the Government allowed businesses to defer the payment until **31 March 2021**.

Although this remains the main deadline, the Chancellor announced on 24 September that some business may be allowed the option to extend that deadline and pay in smaller instalments up to the end of **March 2022**, interest free. However, this is an **opt-in service** and business **must** contact HMRC directly to organise the repayments.

### Eligibility

Any UK business which took advantage of the VAT deferral scheme for payments falling between 20 March 2020 and 30 June 2020.

### How do I access the scheme?

Businesses **not** wishing to extend the repayment deadline must still pay their deferred VAT by **31 March 2021**.

For businesses wanting to extend their deadline to March 2022, you **must** contact HMRC if you wish to negotiate a repayment plan. This is **not** an automatic offer, with penalties and/or interest charged for late payment if the repayment plan is not negotiated.

**Note:** If you normally pay by Direct Debit, any deferred VAT will **not** be taken by Direct Debit, unless otherwise agreed with HMRC – you should ensure deferred VAT is paid by the relevant deadline.

### 3. Deferred Income Tax payment deadline remains unchanged

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For more information, please go to: <https://www.gov.uk/guidance/defer-your-self-assessment-payment-on-account-due-to-coronavirus-covid-19>

Individuals were given the option to defer their Income Tax (self-assessment) payment on account due on the 31 July 2020 until the **31 January 2021**, interest free and with no penalties. This deadline remains unchanged, however you may be able to negotiate a Time To Pay arrangement with HMRC if you think you may struggle to make the payment – [see section 6](#) for more information.

#### Eligibility

The scheme was available for any individual that completes a Self-Assessment tax return, and was normally required to make a payment on account on 31 July 2020.

#### How do I access the scheme?

This scheme has now closed.

### 4. Payment holidays ending for most on 31 October 2020

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For more information, please go to: <https://www.fca.org.uk/consumers/mortgages-coronavirus-consumers>

The Financial Conduct Authority (FCA) published guidance back in June 2020 which encouraged lenders to offer ‘payment holidays’ to consumers – the option to temporarily stop repayments on various financial products to help consumers with personal cash flow.

However, most lenders are now bringing this to an end from 31 October 2020. If you think you may be struggling to repay mortgages, loans (including credit cards and overdrafts), vehicle financing, and other financial products, you may still be able to negotiate a payment holiday, but you’ll need to organise it ASAP and there is no obligation for lenders to agree once the deadline passes.

The FCA has more information and guidance available here: <https://www.fca.org.uk/coronavirus-support>.

## 5. Research & Development tax relief available

For more information, please go to: <https://www.gov.uk/guidance/corporation-tax-research-and-development-rd-relief>

Research and Development (R&D) reliefs support companies that work on innovative projects in science and technology. It can be claimed by a range of companies that seek to research or develop an advance in their field, and can even be claimed on unsuccessful projects. Work that qualifies for R&D relief must be part of a specific project, which relates to the company's trade, with the aim of making an advance in a relevant field.

For companies eligible for the SME relief, an additional 130% of qualifying costs can be deducted from profits in addition to the original cost of the expenses, yielding a **230% total deduction** from annual profits. With the rate of Corporation Tax at 19% for the past few years, this means that every £100 spent on R&D could lead to almost £25 of tax relief.

For more information, visit the 360 Research and Development website: <https://www.360randd.co.uk/>.

### COMMENTS FROM MARTIN

*"At 360, as part of our efforts to provide an all-round service for our clients, we now have several staff working as part of a dedicated **360 Research & Development** team.*

*To find out more about R&D or to speak to an adviser, please go to [www.360randd.co.uk](https://www.360randd.co.uk) or call us on **01246 360 360**."*



## 6. The HMRC Time To Pay Scheme

For more information, please go to: <https://www.gov.uk/difficulties-paying-hmrc>

HMRC's Time To Pay scheme is aimed at supporting businesses if they have a reasonable explanation for not being able to pay their tax on time.

### What to do

Contact HM Revenue and Customs (HMRC) as soon as possible if you have missed your payment. How to get in contact HMRC depends on what you need to discuss.

### If you cannot pay because of Coronavirus

Call the HMRC Coronavirus Helpline:

- Telephone: 0800 024 1222
- Monday to Friday, 8am to 4pm



**If you cannot pay your Self Assessment tax bill**

If you've filed your return and owe less than £10,000, you might be able to arrange to pay in instalments online. You do not need to contact HMRC if you have set up a payment plan online.

Call the Self Assessment Payment Helpline if you've missed your payment date or you cannot use the online service:

- Telephone: 0300 200 3822
- Monday to Friday, 8am to 4pm

**If you cannot pay other taxes**

If you've received a payment demand, like a tax bill or a letter threatening you with legal action, call the HMRC office that sent you the letter.

Call the Payment Support Service if you have not received a bill or letter:

- Telephone: 0300 200 3835
- Monday to Friday, 8am to 4pm

Nominated partners in partnerships can negotiate Time To Pay arrangements with HMRC on behalf of the partnership or individual partners.



## 7. UPDATED – Two further Self-Employment Income Support Scheme (SEISS) Grant Extensions announced

For more information, please go to: <https://www.gov.uk/government/publications/self-employment-income-support-scheme-grant-extension/self-employment-income-support-scheme-grant-extension>

The Self-Employment Income Support Scheme (SEISS) was introduced to support self-employed people whose businesses were adversely affected by coronavirus (COVID-19). The scheme initially allowed eligible individuals to claim two taxable grants, each covering a 3-month period, and worth either 80% or 70% of monthly trading profits (up to a maximum cap). Applications for the second grant closed on 19 October 2020.

However, in response to the continuing pandemic, the Chancellor has recently announced that two further grants will be provided under the SEISS Grant Extension, with each covering 3-month periods between 1 November 2020 to 31 January 2021 and 1 February 2021 to 30 April 2021.

**Note:** If you receive the grants you **can** continue to work (so long as you can prove that your income has been significantly affected by the coronavirus pandemic), start a new trade, or take on other employment including voluntary work or duties as an armed forces reservist.

### How much can I get?

Eligible individuals can get two taxable grants, each paid in a single instalment directly into your bank account.

The first grant will open for applications shortly, and is worth **40%** of the average monthly trading profits from the three full tax years (where applicable) prior to the outbreak (i.e. 2016 to 2017, 2017 to 2018, and 2018 to 2019) covering three months' worth of profit, **capped at £3,750** total.

The second grant will be reviewed by the Government and will be announced in due course.

### Eligibility

Eligibility criteria continues to be the same as the previous SEISS criteria, so long as the individual continues to intend to trade following the pandemic. Individuals do **not** need to have claimed either of the first two SEISS grants in order to be eligible for the two Extension grants.

You are eligible to claim if you're a **self-employed individual** or a **member of a partnership** and you:

- traded in the tax year 2018-19 and submitted your Self Assessment tax return on or before 23 April 2020;
- traded in the tax year 2019-20;
- are trading when you apply (or would be except for COVID-19\*);
- intend to continue to trade in the tax year 2020-21;
- have lost trading/partnership trading profits due to COVID-19\*.



*(\* For example, this could be because you're unable to work because you are self-isolating, shielding, on sick leave because of coronavirus, or have caring responsibilities because of coronavirus. Alternatively, it could be because you've had to scale down or temporarily stop trading because your supply chain has been interrupted, you have fewer or no customers or clients, or your staff are unable to come in to work.)*

Your self-employed trading profits must also be **less than £50,000** and **more than half of your income** must come from self-employment. This is determined by at least one of the following conditions being true:

- having trading profits/partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of your total taxable income;
- having average trading profits in 2016-17, 2017-18, and 2018-19 of less than £50,000 and these profits constitute more than half of your average taxable income in the same period.

If you started trading between 2016 and 2019, HMRC will only use those years for which you filed a Self-Assessment tax return.

HMRC will primarily use data on 2018-19 returns already submitted to identify those eligible and will risk assess any late returns filed before the 23 April 2020 deadline in the usual way.

**Note:** You should not claim the grant if you are above the state aid limits or operating a trade through a trust.

#### **How do I access the scheme?**

Applications for first SEISS grant closed on 13 July 2020, and the second SEISS grant closed on 19 October 2020.

***Full details on applying for the two Extension grants will be provided by HMRC in due course.***

**Please note:** The scheme will only be accessible through the GOV.UK website. If someone texts, calls, or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link and/or give information such as your name, credit card, or bank details, **it is a scam!**

## 8. UPDATED – Coronavirus Job Retention Scheme (CJRS) ends on 31 October 2020, and claims close on 30 November 2020

For more information, please go to: <https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>

The Coronavirus Job Retention Scheme (CJRS), the Government's first furlough scheme, is aimed at providing a grant to businesses to partially cover the cost of employees' wages whilst these employees are 'on furlough', i.e. they are not working due to coronavirus (COVID-19). Employers must cover wage costs for periods where employees do work.

**It has now been confirmed that this scheme will close on 31 October 2020, and will be replaced by the [Job Support Scheme \(JSS\)](#). Final CJRS claims must be submitted before 30 November 2020.**

### How much can I get?

Until 31 July 2020, employers were able to reclaim up to **80% of gross wages** (up to a cap of £2,500 per month) plus (i.e. not including) the associated employer NI contributions and minimum auto-enrolment pension contributions on that wage.

From 1 August 2020, the Government continued to pay **80% of gross wages** (up to a cap of £2,500), but **stopped reimbursements for NI contributions and pension contributions** on furlough pay – employers were expected to pay these costs for the periods of furlough.

From 1 September 2020, the Government reduced their gross wages contribution to **70%** (up to a cap of £2,187.50), with employers **obliged** to cover **10%** of gross wages and also all NI contributions and pension contributions for any periods of furlough.

Finally, from 1 October 2020, the Government reduced their gross wages contribution again to **60%** (up to a cap of £1,875), with employers **obliged** to cover **20%** of gross wages and also all NI contributions and pension contributions for any periods of furlough.

In all cases, an employer may choose to top up wages to 100%, but is not necessarily obliged to pay anything above the 80% threshold (subject to employment law and renegotiating any contractual entitlements).

For more information on how to calculate your CJRS claim, please go to:

<https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme>.

### Eligibility

The scheme is open to all UK employers that had a PAYE scheme in place on the 28 February 2020. Any organisation with employees can apply, including charities, recruitment agencies, and public authorities. With agency employees, the scheme is only available for agency employees who are not working.

To be eligible, an employee:

- must have been on the payroll on **28 February 2020** (**Note:** Anybody who was on the payroll on 28 February and has since been made redundant can be rehired and put on the scheme);
- must have completed a full 21-day consecutive furlough period prior to 1 July 2020;
- must be notified in writing by their employer of their designation as a furloughed worker, and of any changes to their furloughing arrangement;
- can work any amount of time / any shift pattern, while still being eligible for furlough for any normal hours they do not work;
- must be paid by their employer as normal for any hours that they have worked.

## COMMENTS FROM MARTIN

*“HMRC has warned that employers **must** make sure that they have issued letters to relevant employees to notify them of the terms of being furloughed.*

*Further advice on furlough, along with a free example letter, can be found on the ACAS website: <https://www.acas.org.uk/coronavirus/furlough-closing-workplaces>.”*

Employers will need to designate affected employees as ‘furloughed workers’, and notify their employees of this change. When agreeing to changes in hours (and acceptance of reduced pay), assuming the contract does not already allow for that, normal employment law applies.

Employees on sick pay or self-isolating cannot be furloughed but may be able to get [Statutory Sick Pay \(SSP\)](#). However, they can be furloughed afterwards. Employees who are shielding can be placed on furlough or SSP. Employees on maternity (or similar) leave can continue to draw SMP (or similar) payments. The guidance does not prohibit women on maternity leave agreeing to return to work early and then being furloughed, or electing to change to shared parental leave and then being furloughed.

### How do I access the scheme?

Employers can only claim once every three weeks, i.e. they cannot get weekly reimbursement. Claims for periods prior to 30 June 2020 closed on 31 July 2020. Claims for periods from 1 July 2020 to 31 October 2020 will close on **30 November 2020**.

Apply now using the following link:

<https://www.tax.service.gov.uk/coronavirus-job-retention-scheme>

When you claim, you will need:

- your Government Gateway user ID and password with PAYE online activated (if you do not have a user ID, you can create one from the GOV.UK website);
- your Corporation Tax Unique Taxpayer Reference (UTR) or Self Assessment Unique Taxpayer Reference (UTR);
- your employer PAYE scheme reference number;
- the start date and end date of the claim
- the full amount you’re claiming for, including employer NI contributions and employer minimum pension contributions;

- the number of employees being furloughed;
- each employee's full name and National Insurance number;
- your UK business bank account number and sort code into which you wish to receive the grant.

If your claim is approved you'll receive your payment within 6 working days.

Once you've claimed, you'll get a claim reference number. You **must** keep this, along with a copy of all records, including the amount claimed and claim period for each employee and your calculations in case HMRC need more information about your claim.

**Please note:** This scheme is only accessible through the GOV.UK website. If someone texts, calls, or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link and/or give information such as your name, credit card, or bank details, **it is a scam!**

## 9. NEW – Job Support Scheme (JSS) effective from 1 November 2020

For more information, please go to: <https://www.gov.uk/government/publications/the-job-support-scheme/the-job-support-scheme>

The Job Support Scheme (JSS), the Government's second furlough scheme, replaces the previous [Coronavirus Job Retention Scheme \(CJRS\)](#). Both schemes are aimed at providing a grant to businesses to partially cover the cost of employees' wages whilst these employees are 'on furlough', i.e. they are not working due to coronavirus (COVID-19). The scheme will come into effect from **1 November 2020**, and will run until **30 April 2021**. and is split into two types of support which operate to different rules:

- Businesses that are operating but facing decreased demand and/or income can get support for employees' wages through **JSS Open**.
- Businesses that are legally required to close their premises as a direct result of coronavirus restrictions set by the Government can get support through **JSS Closed**.

### How much can I get?

Under the JSS Open, employees **must work a minimum of 20%** of their usual hours, with employers paying as normal for these hours. Alongside this, the employee will then receive **66.67%** of their normal pay for hours not worked – made up from 5% paid by the employer (up to a maximum of £125 per month) and 61.67% paid by the Government (up to a maximum of £1541.75 per month).

Under the JSS Closed, each employee will receive **two thirds** of their normal pay (up to a maximum of £2,083.33 per month), fully funded by the Government.

### COMMENTS FROM MARTIN

*"After an estimated £3.5bn of fraudulent claims through the CJRS, HMRC has reminded employers that claims may be checked, and payments may be withheld if they suspect a claim to be ineligible.*

*For the JSS, HMRC intend to publish a list of names of employers who are using the scheme, so that the public are able to report any suspected fraud directly."*

In both cases, an employer may choose to top up wages if they wish, but is not necessarily obliged to pay anything above the required amounts (subject to employment law and renegotiating any contractual entitlements).

**Note:** The JSS does not cover National Insurance contributions or pension contributions, which remain payable by the employer.

### Eligibility

Neither the employer nor the employee needs to have benefitted from the [previous furlough scheme, the CJRS](#), to be eligible for the JSS. An employer **can** claim the JSS Open and JSS Closed grant at the same time for different employees, but **cannot** claim for a single employee under both schemes at the same time.

The scheme is open to all UK employers that had a PAYE scheme in place on the 23 September 2020.

To be eligible for the **JSS Open**:

- an employee must have been on the payroll on **23 September 2020**;
- an employee must still be working at least **20% of their usual hours**;
- if the employer has more than 249 employees, they must undertake a Financial Impact Test\* to show they have been adversely affected by coronavirus;
- employers must have reached a **written agreement** with the employee that they have been offered a temporary working agreement that covers at least seven consecutive days;
- must be paid by their employer as normal for any hours that they have worked.
- **Note:** Further restrictions may be announced by the Government prior to 31 October 2020.

\* See below for more details on the Financial Impact Test.

To be eligible for the **JSS Closed**:

- an employee must have been on the payroll on **23 September 2020**;
- an employee's primary workplace is legally required to close under current regulations by one of the four governments of the UK;
- employers must have reached a **written agreement** with the employee that they have been instructed to, and agree to, stop working for a minimum of seven consecutive days;
- must be paid by their employer as normal for any hours that they have worked.
- **Note:** Further restrictions may be announced by the Government prior to 31 October 2020.

### COMMENTS FROM MARTIN

*"HMRC has warned that employers **must** make sure that they have issued letters to relevant employees to notify them of the terms of being furloughed.*

*Further advice on furlough, along with a free example letter, can be found on the ACAS website: <https://www.acas.org.uk/coronavirus/furlough-closing-workplaces>."*

*(An individual is an employee for the purposes of this scheme if they are treated as an employee for Income Tax purposes. Employees can be on any type of contract, including zero hours or temporary*



*contracts. Agency workers are regarded as employees of an employment agency for the purposes of this scheme, provided they are employees for Income Tax purposes.)*

Employers cannot claim for an employee who has been made redundant or is serving a contractual or statutory notice period during the claim period.

### How do I access the scheme?

The scheme will open for claims from 8 December 2020.

**Please note:** This scheme will only be accessible through the GOV.UK website. If someone texts, calls, or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link and/or give information such as your name, credit card, or bank details, **it is a scam!**

### What is a Financial Impact Test?

Large employers claiming the JSS Open need to complete a Financial Impact Test to evidence that their income has been impacted due to coronavirus, by either remaining equal or reducing compared to the previous year.

Large employers who are VAT registered and submit quarterly VAT returns, should compare the total sales figure on their VAT return, which is due to be filed and paid between 31 August 2020 and 7 November 2020, with the total sales figure from the same quarter in 2019. This is the figure recorded in box 6 of their VAT return, which captures the total value of sales and all other outputs excluding any VAT. This box captures all sales, whether subject to VAT or not.

Large employers who submit monthly VAT returns should compare the three consecutive months which are due to be filed and paid by 7 November 2020 with the same period in 2019.

Further guidance, including example calculations, can be found on the [GOV.UK website](https://www.gov.uk/guidance/check-if-you-can-claim-the-job-retention-bonus-from-15-february-2021).

## 10. UPDATED – Job Retention Bonus (JRB)

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For more information, please go to: <https://www.gov.uk/guidance/check-if-you-can-claim-the-job-retention-bonus-from-15-february-2021>

The Job Retention Bonus is a £1,000 one-off taxable payment to the employer for each eligible employee that was previously furloughed and kept continuously employed until **31 January 2021**.

The bonus will be able to be claimed between 15 February 2021 and 31 March 2021, and the money does not have to be paid to the employee.

The JRB will apply to any employees on the CJRS or JSS. Further eligibility criteria may apply, which will be announced by HMRC in due course.



## 11. Statutory Sick Pay relief package for SMEs

For more information, please go to: <https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19>

The Coronavirus Statutory Sick Pay Scheme will repay employers the current rate of Statutory Sick Pay (SSP) paid for sickness absence due to coronavirus (COVID-19). The scheme will cover **up to 2 weeks** SSP per eligible employee for periods of sickness on or after **13 March 2020**, for periods of shielding from 16 April 2020, or from 28 May 2020 if the employee has been notified by the NHS or public health bodies that they've come into contact with someone with coronavirus.

### Eligibility

An employer is eligible for the scheme if:

- your business is UK based;
- you have a PAYE payroll scheme that was created and started on or before 28 February 2020;
- you had fewer than 250 employees on 28 February 2020 across all your PAYE payroll schemes;
- you're claiming for an employee who is eligible for sick pay due to coronavirus (COVID-19) because they either have coronavirus, cannot work because they are self-isolating at home, or are shielding in line with public health guidance.

Employees do not have to give you a doctor's fit note for you to make a claim, but you can ask them to give you:

- an isolation note from NHS 111 if they are self-isolating and cannot work because of coronavirus (COVID-19);
- an NHS or GP letter telling them to stay at home for at least 12 weeks because they're at high risk of severe illness from coronavirus.

To help employers calculate SSP, HMRC has the following online calculator:  
<https://www.gov.uk/calculate-statutory-sick-pay>.

### How do I access the scheme?

Apply now using the following link:

<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19>

When you claim, you will need:

- your Government Gateway user ID and password with PAYE online activated (if you do not have a user ID, you can create one from the GOV.UK website);
- your employer PAYE scheme reference number;
- the start date and end date of the claim
- the total amount of coronavirus-related SSP you have paid to your employees;
- the number of employees being furloughed;
- your UK business bank account number and sort code into which you wish to receive the claim.

Employers should maintain records of staff absences and payments of SSP, including

- 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;
- National Insurance numbers of all employees who you have paid SSP.

## 12. Business rates holiday for retail, hospitality, and leisure businesses

For more information, please go to: <https://www.gov.uk/guidance/check-if-your-retail-hospitality-or-leisure-business-is-eligible-for-business-rates-relief-due-to-coronavirus-covid-19>

Businesses in the retail, hospitality, and leisure sectors in England will not have to pay business rates for the 2020 to 2021 tax year.

### Eligibility

You are eligible for the business rates holiday if:

- your business is based in England;
- your business is in the retail, hospitality, and/or leisure sector.

Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:

- as shops, restaurants, cafes, bars, pubs, and/or other drinking establishments;
- as cinemas and/or live music venues;
- as assembly and/or leisure property;
- as hospitality property, including hotels, guest & boarding premises, and/or self-catering accommodation.

### How do I access the scheme?

There should be no action required from you – your local council will apply the discount automatically. If you have already received your bill, your local council may have to reissue your bill, but will do this as soon as possible.

You can estimate the business rate relief using HMRC's Business Rates calculator: <https://www.gov.uk/calculate-your-business-rates>.

If you're not getting a relief that you think you're entitled to, we recommend that you contact your local council: <https://www.gov.uk/contact-your-local-council-about-business-rates>.

### COMMENTS FROM MARTIN

*"The vast majority of our clients in the Chesterfield and North Derbyshire regions have now received their amended rates bills.*

*If you still haven't heard from your local council, we recommend that you use the Business Rates calculator to check your eligibility, and then contact your local council directly."*

## 13. Business rates holiday for some nursery businesses

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For more information, please go to: <https://www.gov.uk/guidance/check-if-your-nursery-is-eligible-for-business-rates-relief-due-to-coronavirus-covid-19>

Nurseries in England that satisfy the eligibility criteria will not have to pay business rates for the 2020 to 2021 tax year.

### Eligibility

You are eligible for the business rates holiday if:

- your business is on Ofsted's Early Years Register;
- you provide care and education for children up to 5 years old (early years foundation stage).

**Note:** Local authority-run nurseries are not eligible.

### How do I access the scheme?

There should be no action required from you – your local council will apply the discount automatically. If you have already received your bill, your local council may have to reissue your bill, but will do this as soon as possible.

You can estimate the business rate relief using HMRC's Business Rates calculator: <https://www.gov.uk/calculate-your-business-rates>.

If you're not getting a relief that you think you're entitled to, we recommend that you contact your local council: <https://www.gov.uk/contact-your-local-council-about-business-rates>.

## 14. Companies House filing extensions

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For more information, please go to: <https://www.gov.uk/government/publications/the-companies-etc-filing-requirements-temporary-modifications-regulations-2020/temporary-changes-to-companies-house-filing-requirements>

From 27 June 2020, businesses with accounts filing deadlines that fall within the period **27 June 2020 and 5 April 2021** are able to apply Companies House for a **3-month** extension to the deadline. While this is not automatic and companies must apply for the extension, all companies who apply as a result of COVID-19 will automatically be granted the extension without needing to provide evidence.

The same extension will also apply to submission of Corporation Tax returns. Under FA 1998, Sch. 18, para. 19(b), a company is not liable to a flat rate penalty for late submission of a tax return if the return is delivered no later than the last day for the delivery of those accounts to the registrar of companies.

## 15. Small Business Grant Fund (SBGF) closed

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For more information, please go to: <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-small-business-grant-fund>

Grant funding of £10,000 was available for SMEs and businesses in England through the new Small Business Grant Fund (SBGF). The scheme was delivered by local authorities.

### How much can I get?

Under the SBGF, all eligible businesses in England received £10,000.

### Eligibility

The grant was received by the person who, according to the local authority, was the ratepayer as at the 11 March 2020.

You were eligible for the SBGF if your business was based in England and **either**:

- your business received Small Business Rate Relief (SBRR), including those with a rateable value between £12,000 and £15,000 which receive tapered relief; **or**
- your business received Rural Rate Relief (RRR).

**Note:** Businesses are not eligible for the SBGF for car parks and parking spaces, or for properties occupied for personal uses, such as private stables and loose boxes, beach huts, and moorings. In addition, businesses which were in liquidation or dissolved as of 11 March 2020 will not be eligible.

### How do I access the scheme?

The scheme has now closed, and all grants should have been received by 30 September 2020.

You can find and check your business rates valuation here: <https://www.gov.uk/correct-your-business-rates>.

If you think you were entitled to receive a grant, you should contact your local council directly. To find your local council's contact details, please go to: <https://www.gov.uk/contact-your-local-council-about-business-rates>.

## 16. Retail, Hospitality, and Leisure Grant Fund (RHLGF) closed

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For more information, please go to: <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-retail-hospitality-and-leisure-grant-fund>

Grant funding of up to £25,000 was available for SMEs and businesses in the retail, hospitality, and leisure sectors in England through the Retail, Hospitality, and Leisure Grant Fund (RHLGF). The scheme was delivered by local authorities.

### How much can I get?

Under the RHLGF, eligible businesses in England in these sectors with a property that has rateable value of under £15,000 received a grant of £10,000 per property, whilst property that has a rateable value between £15,000 and £51,000 received a grant of £25,000 per property.

**Note:** Businesses which are not ratepayers, or which have property with a rateable value over £51,000 were not eligible for the RHLGF.

### Eligibility

The grant was received by the person who, according to the local authority, was the ratepayer as at the 11 March 2020.

You were eligible for the RHLGF if:

- your business is based in England;
- your business is in the retail, hospitality, or leisure sector;
- your business had property with a rateable value of less than £51,000.

**Note:** Businesses are not eligible for the RHLGF for car parks and parking spaces, or for properties occupied for personal uses, such as private stables and loose boxes, beach huts, and moorings. In addition, businesses which were in liquidation or dissolved as of 11 March 2020 will not be eligible.

Charities which would otherwise meet this criteria but have received Charitable Rate Relief or whose bill had been reduced to nil by a local discretionary award are also eligible for the RHLGF.

### How do I access the scheme?

The scheme has now closed, and all grants should have been received by 30 September 2020.

You can find and check your business rates valuation here: <https://www.gov.uk/correct-your-business-rates>.

If you think you were entitled to receive a grant, you should contact your local council directly. To find your local council's contact details, please go to: <https://www.gov.uk/contact-your-local-council-about-business-rates>.

## 17. Local Authority Discretionary Grants Fund (LADGF) closed

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*For more information, please go to: <https://www.gov.uk/guidance/apply-for-the-coronavirus-local-authority-discretionary-grants-fund>*

The Local Authority Discretionary Grants Fund (LADGF) supported small and micro businesses with fixed property costs that were not eligible for the Small Business Grant Fund (SBGF) or the Retail, Hospitality, and Leisure Grant Fund (RHLGF). Applicants applied directly for grants from their local



authorities, and it was the local authorities who had full discretion as to how to allocate funding, and decided whether to prioritise specific businesses and sectors depending on local economic need.

### How much can I get?

You could have received a grant of £25,000, £10,000, or any amount under £10,000.

### Eligibility

You were eligible for the LADGF if your business:

- is based in England;
- has relatively high ongoing fixed property-related costs and occupies property (or part of a property) with a rateable value or annual mortgage/rent payments below £51,000;
- was trading on 11 March 2020.

Local councils have complete discretion about how to allocate funding, however the Government has asked local councils to prioritise:

- small businesses in shared offices or other flexible workspaces;
- regular market traders;
- bed and breakfasts paying council tax instead of business rates;
- charity properties getting charitable business rates relief, which are not eligible for Small Business Rates Relief (SBRR) or Rural Rate Relief (RRF).

You **cannot** claim under the LADGF if you are already claiming under another grant scheme, such as the SBGF, the RHLGF, the Fisheries Response Fund, the Domestic Seafood Supply Scheme, the Zoos Support Fund, and the Dairy Hardship Fund. However, this does not include the Coronavirus Job Retention Scheme (CJRS) or Self-Employed Income Support Scheme (SEISS).

**Note:** The LADGF does count towards state aid, with grants under £10,000 counting towards *de minimis* state aid, and grants of £25,000 classed as state aid under the COVID-19 Temporary Framework.

### How do I access the scheme?

The scheme has now closed, and all grants should have been received by 30 September 2020.

You can find and check your business rates valuation here: <https://www.gov.uk/correct-your-business-rates>.

If you think you were entitled to receive a grant, you should contact your local council directly. To find your local council's contact details, please go to: <https://www.gov.uk/contact-your-local-council-about-business-rates>.



## 18. NEW – Local Restrictions Support Grant (LRSg) launches

For more information, please go to: <https://www.gov.uk/guidance/check-if-youre-eligible-for-the-coronavirus-local-restrictions-support-grant>

The Local Restrictions Support Grant (LRSg) supports business rate-paying businesses that are open as usual, providing services in person to customers from their business premises, but which are then required to close for at least 3 weeks due to local lockdown restrictions imposed by the Government.

### How much can I get?

Under the LRSg, eligible businesses in England with a property that has rateable value of under £51,000 will receive a grant of £1,000 for each 3-week period the business is closed. Businesses with property that has a rateable value of £51,000 or above will receive a grant of £1,500 for each 3-week period the business is closed.

Grants will be extended to cover each additional 3-week period your business is closed, with the amounts depending on the rateable value of the property.

You may receive a grant of up to £1,500 at the discretion of your local council if your business is required to close but you do not pay business rates, or if your business is not required to close but has been severely affected (e.g. as a result of customer businesses being closed).

### Eligibility

Your business may be eligible if it:

- occupies property on which it pays business rates;
- is in a local lockdown area and has been required to close because of the formal publication of local restrictions guidance;
- has been required to close for at least 3 weeks because of the lockdown;
- has been unable to provide its usual in-person customer service from its premises.

You will be **excluded** from eligibility if your business:

- is able to continue to operate during the lockdown because they do not depend on providing direct in-person services from their premises;
- has chosen to close, but has not been required to close as part of a local lockdown;
- is still subject to national closures such as nightclubs;
- has reached the state aid limit (the LRSg counts towards *de minimis* state aid).

### How do I access the scheme?

Visit your local council's website to find out how to apply: <https://www.gov.uk/contact-your-local-council-about-business-rates>.

You can find and check your business rates valuation here: <https://www.gov.uk/correct-your-business-rates>.

## 19. Coronavirus Business Interruption Loan Scheme (CBILS) extended

For more information, please go to: <https://www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme>

The Coronavirus Business Interruption Loan Scheme (CBILS) is a scheme that can provide facilities of up to £5m for smaller businesses across the UK who are experiencing lost or deferred revenues, leading to disruptions to their cash flow. CBILS supports a wide range of business finance products, including term loans, overdrafts, invoice finance, and asset finance facilities. The scheme provides the lender with a government-backed guarantee potentially enabling a 'no' credit decision from a lender to become a 'yes'.

### How much can I get?

The maximum value of a facility provided under the scheme will be £5m. Finance terms are up to six years for term loans and asset finance facilities. For overdrafts and invoice finance facilities, terms will be up to three years. There will be no fee for smaller businesses to access the scheme – the lenders will pay a fee to access the scheme.

At the discretion of the lender, the scheme may be used for unsecured lending for facilities of £250,000 and under. For facilities above £250,000, the lender must establish a lack or absence of security prior to businesses using CBILS. Primary Residential Property (PPR) cannot be taken as security under the scheme. If the lender can offer finance on normal commercial terms without the need to make use of the scheme, they will do so.

### How long will CBILS run for?

Business can apply for loans through the CBILS until **30 November 2020**.

### What is the Government guaranteeing?

The scheme provides the lender with a government-backed, partial guarantee (80%) against the outstanding facility balance, subject to an overall cap per lender. The Government will make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees, so smaller businesses will benefit from no upfront costs and lower initial repayments\*.

(\* Fishery, aquaculture, and agriculture businesses may not qualify for the full interest and fee payment.)

**Note:** The borrower always remains 100% liable for the debt. The CBILS guarantee is to the lender, not the SME.

### COMMENTS FROM MARTIN

*"We have now helped many of our clients apply through the CBILS and BBLS, with some receiving their loans straight to their bank accounts in a matter of days.*

*If you require any assistance with your application, we have a number of lenders we have worked in partnership with, so please do not hesitate to contact us."*

### Can lenders take a Personal Guarantee to cover the 20% loss that the Bank will make?

No, if a lender makes a claim on the CBILS guarantee it will be after the lender has completed its normal recovery procedures (including realisation of any Personal Guarantees). The CBILS guarantee

covers 80% of the lenders post recoveries claim. The lender will always suffer a 20% loss when claiming on the CBILS guarantee.

### Eligibility

Smaller businesses (SMEs) from all sectors\* can apply for the full amount of the facility, up to a maximum of £5m.

To be eligible for a facility under CBILS, your business must:

- be UK based in its business activity with annual turnover or no more than £45m;
- have a borrowing proposal which, were it not for the COVID-19 pandemic, would be considered viable by the lender, and for which the lender believes the provision of finance will enable your business to trade out of any short-to-medium term difficulty.

If the lender can offer finance on normal commercial terms without the need to make use of the scheme, they will do so.

*(\* Exclusions: Banks; building societies; insurers and reinsurers (but not insurance brokers); the public sector, including state-funded primary and secondary schools; employer, professional, religious, or political membership organisations or trade unions.)*

### Are sole traders / freelancers eligible?

Yes, as long as the business activity is operated through a business account. The scheme is open to sole traders, freelancers, body corporates, limited partnerships, limited liability partnerships, or other legal entity carry out a business activity in the United Kingdom, with annual turnover of up to £45m, operating in all sectors. The business must generate more than 50% of its turnover from trading activity.

### Is the scheme appropriate for start-ups?

Potentially, if your business activity is primarily UK-based. For early stage businesses in their first two years of trading, the British Business Bank's Start Up Loans programme (loans of £500 to £25,000 at 6% p.a. interest) may be more suitable. Visit [www.startuploans.co.uk](http://www.startuploans.co.uk) for more information.

### How do I access the scheme?

The scheme is open until **30 November 2020**.

CBILS is available through the British Business Bank's 40+ accredited lenders, which are listed on the British Business Bank website:

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders/>

In the first instance, businesses should approach their own provider – ideally via the lender's website. They may also consider approaching other lenders if they are unable to access the finance they need.

Decision-making on whether you are eligible for CBILS is fully delegated to the 40+ accredited CBILS lenders. These lenders range from high-street banks, to challenger banks, asset-based lenders and smaller specialist local lenders.

### **What's happening to the old Enterprise Finance Guarantee Scheme (EFG)?**

The EFG scheme is temporarily suspended at this point in time. If you wish to apply for a financing facility, your lender will be able to assess if you are eligible under CBILS.

### **How is CBILS different from the EFG scheme?**

CBILS is a new scheme. It is different from EFG in a number of ways:

- 1) CBILS provides the lender with an 80% government backed partial guarantee against the outstanding facility balance, subject to an overall portfolio cap. Under EFG this was 75%.
- 2) There is no guarantee fee for SMEs to use CBILS.
- 3) The maximum facility provided under CBILS will be up to £5m. Under EFG, this was £1.2m.
- 4) CBILS is available to businesses with annual turnover of no more than £45m. EFG was available to businesses with annual turnover of no more than £41m.

### **Are there any restrictions on a Borrower refinancing their EFG Facility to a CBILS Facility?**

If you have a query about an active EFG facility, you should approach your own provider – ideally via their website – and not the British Business Bank. Any request for refinancing an existing EFG facility will be at each individual Lender's discretion, be subject to certain limits, and you meeting the CBILS eligibility criteria.

### **I have had *de minimis* aid in the past, can I still get a loan?**

Yes, as long as you meet the scheme's eligibility criteria. Any previous *de minimis* state aid does not impact your eligibility for CBILS and does not need to be taken into account by the Lender. CBILS operates as a notified scheme rather than under *de minimis* as EFG did. There is no interaction between any *de minimis* state aid previously received by a business and the size of the CBILS facility they can access, should they be eligible.

### **I am getting other kinds of aid to help respond to COVID-19. Can I still get a loan?**

Yes, the eligibility criteria for CBILS does not require Lenders to take into account the other forms of government support that SMEs may be benefiting from (e.g. business rate reliefs or grants unrelated to CBILS).

### **Additional application notes**

Given there is likely to be a big demand for facilities, it is advised that you please:

- Consider applying via the lender's website in the first instance. Telephone lines are likely to be busy and branches may have limited capacity to handle enquires due to social distancing.
- Consider the urgency of your need. It is possible that some businesses may be looking for regular longer-term finance rather than 'emergency' finance, and there may be other businesses with a more urgent need to speak with a lender.

**Note:** The CBILS guarantee is to the lender and not the business. As with any other commercial transaction, the borrower is always 100% liable for repayment of the facility supported by CBILS. CBILS decision-making is fully delegated to the accredited lenders. Any queries from a business with an active or historic EFG facility, including guarantee fee collection or alterations to their repayment profile should raise them with their lender, and not with the British Business Bank.

For more information, go to:

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/for-businesses-and-advisors/>

## 20. Bounce Back Loan Scheme (BBLs) extended

For more information, please go to: <https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan>

The Bounce Back Loan scheme helps small and medium-sized businesses to borrow between £2,000 and £50,000 with loan terms of up to 6 years. The Government guarantees 100% of the loan and there won't be any fees or interest to pay for the first 12 months, and no repayments will be due during the first 12 months. The Government is also working with lenders to agree a low rate of 2.5% interest for the remaining period of the loan.

Loans under the scheme are aimed at having much more straightforward applications than other loans, with the scheme being delivered through a wide network of accredited lenders, including the five largest banks.

### Eligibility

You are eligible for the scheme if:

- your business is based in the UK;
- your business has been negatively affected by the coronavirus pandemic;
- you **have not** claimed under the Coronavirus Business Interruption Loan Scheme (CBILS) or Coronavirus Large Business Interruption Loan Scheme (CLBILS).\*

*(\* If you've already received a loan of up to £50,000 under the CBILS and would like to transfer it into the BBLs, you can arrange this with your lender until **4 November 2020**.)*

### How do I access the scheme?

Business can apply for loans through the BBLs until **30 November 2020**.

For full details on the scheme, eligibility, and how to apply, please go to the British Business Bank website: <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/bounce-back-loans>.



## 21. Coronavirus Large Business Interruption Loan Scheme (CLBILS)

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For more information, please go to: <https://www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme>

The Coronavirus Large Business Interruption Loan Scheme (CLBILS) is an extension of the CBILS that can provide facilities of up to £25m for businesses with over £45m turnover, or £50m for businesses with over £250m turnover. The scheme is available through a series of accredited lenders, which are listed on the British Business Bank website, and provides the lender with a government-backed guarantee on 80% of individual loans.

### Eligibility

You are eligible for the scheme if:

- your business is based in the UK;
- your business has an annual turnover of over £45 million;
- you can self-certify that your business has been adversely affected by coronavirus (COVID-19);
- your business has not received a facility under the Bank of England's COVID-19 Corporate Financing Facility (CCFF);
- you have a borrowing proposal which the lender would consider viable, if not for the coronavirus pandemic, and believes will enable you to trade out of any short-term to medium-term difficulty.

For full details on the scheme, eligibility, and how to apply, please go to the British Business Bank website: <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/clbils/clbils-for-businesses-and-advisors>.

## 22. COVID-19 Corporate Financing Facility (CCFF)

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For more information, please go to: <https://www.gov.uk/guidance/apply-for-the-covid-19-corporate-financing-facility>

The Bank of England has said that it will buy short-term debt from large companies.

### Eligibility

Companies must be large enough that they make a material contribution to the UK economy. For full details on the scheme, eligibility, and how to apply, please go to the Bank of England's website: <https://www.bankofengland.co.uk/news/2020/march/the-covid-corporate-financing-facility>.