



## Government support for businesses affected by the Coronavirus pandemic *Updated 24/03/2020*

### Help with reducing your rating costs:

Some businesses will be eligible for a Business Rates holiday for one year from 1 April 2020 i.e. no business rates will be payable for the year 2020-2021:

- If you are currently receiving the retail discount for your Business Rates bill you will receive a revised bill with 100% relief
- If your business occupies a property in the retail sector with a rateable value of £51,000 or more, or if your business occupies a property in the leisure or hospitality sectors you may also be eligible for the 100% discount on your business rates bill
- If you are a nursery, you will be entitled to the 100% relief for the next year
- Based on initial Government guidance regarding eligibility for these reliefs:
  - Any ratepayer who has received a bill showing an entitlement to a 50% retail discount will shortly get a revised bill showing a 100% discount (i.e. they will have nothing to pay)
  - Any ratepayer whose property is a retail property (but didn't get a discount because of the previous rateable value restrictions) will receive a revised bill showing a 100% discount
  - Any ratepayer whose property is used for assembly, leisure, hotels, holiday accommodation or as a nursery will also receive a 100% discount
  - State Aid rules governing public funding apply

**The District Council is currently applying these discounts to affected accounts and, subject to final scheme guidance from Government, aims to issue revised bills by the end of this week.** If you think you should qualify for one of these reliefs and have not received a revised bill by 1<sup>st</sup> April 2020, please contact the revenues section: [revenues@derbyshiredales.gov.uk](mailto:revenues@derbyshiredales.gov.uk).

### Grants (currently only available to businesses with business premises):

- If your business was **eligible for small business rate relief or rural rate relief** on the **11<sup>th</sup> MARCH 2020**, you are entitled to a **one-off cash grant of £10,000** (provided the property is used for business purposes)
- Based on initial Government guidance regarding eligibility for these grants:
  - You will be eligible if are a small business and already receive Small Business Rate Relief or Rural Rate Relief (including those with a Rateable Value between £12,000 and £15,000 which receive tapered relief)
  - **Eligible recipients will be entitled to one grant per property**
  - Grants will be issued to the person who (according to the Council's records) was the ratepayer in respect of the property on the 11 March 2020
  - State Aid rules governing public funding apply.

**The District Council is currently preparing a letter to be sent to all ratepayers who we think will qualify for this grant.** This letter will ask for confirmation of the current situation at the property and details of the bank account the grant should be paid to along with evidence

that the bank account belongs to the business. The District Council aims to issue this letter to eligible businesses by the end of this week. **Subject to receipt of the information required from ratepayers and grant funding from Government, the District Council aims to commence payments in early April.**

- If your business is in the **retail, hospitality or leisure sector in England**, then you may also be entitled to a cash grant
- Any ratepayer who doesn't receive small business rates relief but whose property is used for retail, leisure or hospitality purposes and **has a rateable value of less than £15,000 will be entitled to a grant of £10,000**
- Any ratepayer whose property is used for retail, leisure or hospitality purposes and **has a rateable value of less than £51,000 will be entitled to a grant of £25,000**
- Based on initial Government guidance regarding eligibility for these grants:
  - You will be eligible if, on the **11<sup>th</sup> MARCH 2020**, your property is occupied and is wholly or mainly being used as a shop, restaurant, cafe, drinking establishment, cinema or live music venue; for assembly and leisure use; as a hotel, guest and boarding premises or self-catering accommodation
  - **Eligible recipients will be entitled to one grant per property**
  - State Aid Rules governing public funding will apply.

**The District Council is currently preparing a letter to be sent to all ratepayers who we think will qualify for this grant.** This letter will ask for confirmation of the current situation at the property and details of the bank account the grant needs to be paid to along with evidence that the bank account belongs to the business. The District Council aims to issue this letter to eligible businesses by the end of this week. **Subject to receipt of the information required from ratepayers and grant funding from Government, the District Council aims to commence payments in early April.**

#### **Emergency grants for local micro businesses with less than 10 employees:**

- Derbyshire County Council has launched its emergency relief fund for micro-businesses affected by the pandemic. Businesses with nine or fewer employees and sole traders will now be able to apply online for up to £500 in emergency support to help to cover initial hardships. The eligibility criteria and application form are available [here](#)

#### **Help with your tax payments:**

- Income tax payments due in July 2020 under the Self Assessment system will be deferred to January 2021
- VAT payments due between now and the end of June 2020 will be deferred. No VAT registered business will have to make a VAT payment normally due with their VAT return to HMRC in that period

#### **Help with reducing your costs of employment**

- If you are a small or medium-sized business, you may be **entitled to reclaim the costs of Statutory Sick Pay (SSP) for sickness absence due to COVID-19:** This refund will cover up to two weeks' SSP per eligible employee who are either ill or been told to self-isolate because of COVID-19. This is in line with the recommended isolation period.

- Employers with fewer than 250 employees will be eligible. The size of an employer will be determined by the number of people they employed as of 28 February 2020.
- Employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19
- Employers should maintain records of staff absences, but employees will not need to provide a GP fit note
- The eligible period for the scheme began on 13 March
- The Government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible. Existing systems are not designed to facilitate employer refunds for SSP
- **Wages subsidy for employees who are retained under the Coronavirus Job retention scheme.** The Government will cover 80% of the gross wage cost (up to a maximum of £2,500 per month) for each employee retained but not working – backdated to the 1<sup>st</sup> March 2020 and initially for a period of 3 months. This will be paid through HMRC and claims are expected to start to be processed in the coming weeks, with the target of completing all the claims by the end of April. Grant applications for wage subsidy can be made **through HMRC 0800 0159 559**

### Advice if you're Self Employed

**Currently the Chancellor has directed self-employed people who are affected by the virus towards claiming benefits:**

- The key benefit is Universal Credit – if you are not currently in receipt of benefits contact Jobcentre Plus
- For general enquiries the number to call is: 0800 169 0190
- People who are self-employed are able to claim **Universal Credit** From 6 April the requirements of the Minimum Income Floor will be temporarily relaxed. This change will apply to all Universal Credit claimants and will last for the duration of the outbreak. Additional support through the local housing allowance of up to 30% of house rental costs (based on local area rents value) may also be available to private renters
- Income tax payments due in July 2020 under the Self Assessment system will be deferred to January 2021. For more information, please check the HMRC site [here](#)

### Help with Cash flow through Business Loans

- A new temporary Coronavirus **Business Interruption Loan Scheme**, delivered by the British Business Bank, will launch this week to support businesses to access bank lending and overdrafts
- The Government will provide lenders with a partial guarantee of up to 80% on each loan to give lenders further confidence in continuing to provide finance to SMEs
- The scheme provides the lender with a Government-backed guarantee against the outstanding facility balance, potentially enabling a 'no' credit decision from a lender to become a 'yes'. **The Government will cover the first twelve months of interest payments and any facility arrangement fees charged by lenders, so businesses will benefit from no upfront costs and lower initial repayments.** The maximum value of a facility provided under the scheme will be £5m. Note that the borrower always remains 100% liable for the debt. Any business interested in applying to CBILS should **talk to their bank or finance provider (not the British Business**

**Bank)** as soon as possible and discuss their business plan with them. This will help the finance provider to act quickly once the scheme has launched.

- For further information, please visit [here](#)

### Information for large business facing cash flow issues:

- The new COVID-19 Corporate Financing Facility means that the Bank of England will buy short term debt from companies. It will also support corporate finance markets overall and ease the supply of credit to all firms.
- Further details can be found here in the exchange of letters between the Governor of the Bank of England and the Chancellor, found [here](#).

### Help for pubs and restaurants serving food

Government has announced temporary changes to Planning Regulations for Restaurants and Pubs wishing to operate as takeaways:

- The Ministry for Housing, Communities and Local Government (MHCLG) will shortly legislate to bring forward a temporary Permitted Development Right to allow for change of use from A3 (Restaurant) and A4 (Pub) to A5 (Hot Food Takeaway)
- The intention is that once the legislation has come into force a pub or restaurant will be able to notify their Local Authority that they are now operating as a takeaway without any prior approval

### Delay to the implementation of IR35 rules

- The Government announced that the reform to the off-payroll working rules (commonly known as IR35) - that would have applied to people contracting their services to large or medium-sized organisations outside the public sector - will be delayed for one year from 6 April 2020 until 6 April 2021

### Business Interruption insurance cover

- The Government's medical advice of 16 March is sufficient to enable those businesses which have an insurance policy that covers both pandemics and government ordered closure to make a claim - provided all other terms and conditions in their policy are met. Businesses should check the terms and conditions of their specific policy and contact their providers if in doubt
- However, as most businesses have not purchased insurance that covers pandemic related losses, any affected businesses should refer to the Government's package of support.

*The latest Government guidance can be found [here](#)*