

# Coronavirus (COVID-19) Support

## **BUSINESS RATES**

### **What's being offered?**

- 100% rates relief for ratepayers in the retail, hospitality and tourism sectors from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.
- All business properties across Scotland will receive a 1.6% rates relief for 2020-21 – effectively a rates freeze on last year.
- Ratepayers with more than 1 property, where cumulatively the properties total a rateable value of between £18,000 and £35,000, a 25% relief will be available on any individual property which has a rateable value under £18,000.

### **How to claim?**

- The 1.6% rates relief effective on all business properties across Scotland will be administered by local councils automatically.
- Likewise, the 25% relief available specified above will also be administered automatically.
- Ratepayers in the retail, hospitality and tourism sectors will need to apply to their local council for the 100% rates relief. *As yet no details on how to apply, advice is to contact your local council. More guidance hopefully by 20<sup>th</sup> March.*

### **When will I receive?**

- The reliefs will be in place for one year from 1 April 2020 to 31 March 2021 for eligible properties

## GRANT FUNDING

### What's being offered?

- Ratepayers currently paying no rates and receiving the Small business bonus scheme relief (SBSS) or Rural relief (property rateable value under £18,000) will be eligible for a one-off grant of **£10,000**.
- Ratepayers in the retail, hospitality and tourism sectors, with a property rateable value of between £18,000 to £51,000 will be eligible for a one-off grant of **£25,000**.

### How to claim?

- This grant funding will be administered by local councils and will require an application. The Scottish Government are currently working with the local councils to agree a common approach to the application process, to ensure an effective and timely processing of the grants. *As yet no details provided.*

### When will I receive grant?

- The aim by local councils is to ensure these grants are payable as quickly as possible from 1<sup>st</sup> April 2020.

## QUALIFYING BUSINESSES (*Retail, Hospitality & Tourism*)

This list is not exhaustive. Please check with your local council for eligibility.

### RETAIL

- Auction marts
- Opticians
- Furnishing shops/display rooms
- Second hand car lots
- Markets
- Garden centres
- Shoe repairs/key cutting
- Travel agents
- Dry cleaners
- Domestic appliance repair
- Photo processing
- Car hire
- Shops
- Post offices
- Showrooms (including car/caravan showrooms)
- Car washes
- Petrol stations
- Hair and beauty services
- Ticket offices
- Launderettes
- Funeral directors
- Tool hire

## **HOSPITALITY**

- Bed and breakfast accommodation
- Caravans and caravan sites
- Guest houses
- Public houses
- Bothies
- Camping sites
- Chalets and holiday huts
- Hotels and hostels
- Restaurants

## **LEISURE**

- Arts centres
- Sports clubs/centres/grounds
- Museums
- Music venues
- Studios
- Live music venues
- Fishing huts
- Galleries
- Cinemas
- Recreation grounds
- Theatres

## LOAN FUNDING

### What's being offered?

- Coronavirus Business Interruption Loan Scheme to support **small and medium sized** business to access bank lending & overdrafts.
- Loans of up to £5m available, with Government providing 80% guarantee to ensure acceptance of proposals by bank.
- First 6 months of loans will be interest free – interest met by Government.
- Bank interest base rate now reduced to **0.1%** as of 19<sup>th</sup> March 2020.
- Subject to eligibility restrictions – notably agriculture & fishing sectors.
- Key thing to note, this is a debt facility and will have to be repaid back on agreed terms & conditions. The borrower is 100% liable for the debt.
- Finance terms to range from 3 months to 10 years for term loans and asset finance, and up to 3 years from revolving facilities (overdrafts and invoice finance).
- *On discussion with a couple of the leading banks, additional measures (below) are being discussed, but nothing confirmed. Will be very much on a lender to lender basis.*
  - *Capital repayment holidays on term loans*
  - *Payment suspensions on hire purchase agreements*
  - *Increasing debtor funding percentage on Invoice Finance facilities*

### How to claim?

- As yet no details provided on this. Accredited lenders included in scheme, list at <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders/>
- Would appear to be a standard application to lender through their normal channels. If the accredited lender can offer finance on normal commercial terms without the need to make use of the scheme, then this will be the **preferred** option. *Key very much in the smaller print here.*
- Where the small business has a sound borrowing proposal but insufficient security, this is where the lender will consider the business for support via the scheme. *More to come in the coming days.*

### Timescale for loans?

- Scheme to be made available from 23<sup>rd</sup> March 2020.

## SUPPORT ON PAYING TAXES

### What's being offered?

- All business and self-employed struggling with cashflow due to COVID-19 and with outstanding tax liabilities may be eligible to 'spread' payment of taxes, through a time to pay arrangement.
- *Scottish Parliament looking to press this further by requesting UK Government for payment holidays/deferrals on payments of VAT, PAYE & Corporation Tax.*

### How to claim?

- HMRC have setup a dedicated helpline on 0800 0159 559. Arrangements are agreed on a case by case basis depending on circumstances.

### Timescale for support?

- Available immediately

## SICK PAY

### What's being offered?

- Small & medium business able to reclaim 2 weeks' Statutory Sick Pay (SSP) per employee who has been off work because of COVID-19. *(This includes employees self isolating as a precaution and employees following advice to stay at home. No GP line required.)* Employees must earn on average at least £118 per week.
- Statutory Sick Pay (SSP) now payable from day 1 instead of day 4. This applies from 13<sup>th</sup> March.
- Employers with fewer than 250 employees as at 28<sup>th</sup> February 2020 are eligible.

### How to claim?

- No detail provided as yet, employers merely advised to maintain records of employee absences and payments off SSP made.

### Timescale for refund?

- Vague – to quote government advice *"the government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible"*. So, doesn't appear to be quick assistance here.

## **SELF-EMPLOYED/NON-BUSINESS (PERSONAL)**

### **What's being offered?**

- 3 month mortgage holidays, including Buy to Let mortgages for private landlords. *Scottish Parliament have written to UK Government to urge an increase to this to 6 month.*
- Credit card forbearance. Emergency credit limit increases being offered, while some will offer repayment holidays.
- Employment & Support Allowance (ESA) will be available from day 1 instead of day 8 for those who are sick or have to 'self-isolate'.
- Zero-hours contract workers can claim SSP if they earn more than £118 per week.
- Relaxed rules on applying for Universal Credit and quicker access to receipt of payment.
- Increased protection for Tenants:
  - Social Housing – local authorities to relax immediate demands to allow for benefit applications to be processed to support payments.
  - Private Residential Tenancy agreements – mandatory grounds for eviction, increased from 3 months (*in rent arrears consecutively for 3 months, with 1 month unpaid*) to 6 months.
- Crisis Grants available from Scottish Welfare fund for those who have suffered significant reduction income, made redundant, on temporary unpaid leave. See <https://www.mygov.scot/scottish-welfare-fund/crisis-grants/>

### **How to claim?**

- Telephone call to lender to discuss.
- Call or visit local DWP office (if open) to apply

### **Timescale for support?**

- Available immediately

## ACCOUNTS & TAX COMPLIANCE

### What's being offered?

- Companies House are offering extensions of 30 days to accounts filing deadlines for limited companies/LLPs badly affected by Coronavirus.
- *Side note – Companies House Scotland is now closed. Any postal documents to be submitted should be filed at Companies House Cardiff until further notice. All same day services are now also currently suspended.*

### How to apply?

- Application can be made by post to Companies House, Cardiff or via online at <https://beta.companieshouse.gov.uk/extensions>
- You will need to document reasons for requesting extension and may need to provide supporting documents, where necessary.

### Timescale?

- It is imperative that application is made **prior** to current filing deadline. Applications after this will not be accepted and late filing penalties will be applied.
- Decisions on extension request can take up to 5 days, so please ensure you give yourself this time with any application.

## BUSINESS SUPPORT CONTACT DETAILS

- **Find Business Support Scotland**

Website - <https://findbusinesssupport.gov.scot/>

Telephone – 0300 303 0660