

Coronavirus (COVID-19) Support

BUSINESS RATES

What's being offered?

- 100% rates relief for ratepayers in the retail, hospitality and tourism sectors from 1st April 2020 to 31st 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 20th 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. *As yet no details provided on this, other than "application procedures will be set out by your local council as soon as possible". Per English advice, councils will contact those eligible for £10,000 without application, however can't confirm if this the same applies for Scotland. Advice would be to contact local council first.*

When will I receive grant?

- The aim by local councils is to ensure these grants are payable as quickly as possible from 1st April 2020, although this is probably very optimistic.

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.
- 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 and what lenders included in scheme. *Unconfirmed 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 23rd 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 13th March.
- Employers with fewer than 250 employees as at 28th 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
- Credit card forbearance. Emergency credit limit increases being offered, while some will offer repayment holidays.
- Employment & Support Allowance (ESA) will be available for 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.

How to claim?

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

Timescale for support?

- Available immediately

BUSINESS SUPPORT CONTACT DETAILS

Find Business Support Scotland

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

Telephone – 0300 303 0660