

# Covid-19 Government Measures

A summary of UK Government support measures

Last Updated: 27 March 2020

Government Scheme	Eligibility	Details	How to apply	Other
<b>Coronavirus Business Interruption Loan Scheme (CBILS)</b>	<ul style="list-style-type: none"> <li>Businesses with revenue of up to £45m.</li> <li>Operate within an eligible industrial sector (a number of industrial sectors are not eligible).</li> </ul>	<ul style="list-style-type: none"> <li>British Business Bank scheme lending between £1,000 and £5m to qualifying businesses.</li> <li>Government will cover first twelve months of interest payments.</li> <li>Finance terms are from three months to ten years for term loans and up to three years for revolving facilities and invoice finance.</li> </ul>	<ul style="list-style-type: none"> <li>There are 40 lenders accredited by the British Business Bank and applications should be made directly to these lenders.</li> </ul>	<ul style="list-style-type: none"> <li>Lenders have now started to publish their own guidance on loans being made available under the scheme. Our team can assist in preparing loan applications.</li> </ul>
<b>Job Retention</b>	<ul style="list-style-type: none"> <li>All businesses (of any size).</li> <li>Understood to cover employees on a UK PAYE scheme.</li> <li>Scheme is available for employees who are "furloughed" as opposed to made redundant.</li> </ul>	<ul style="list-style-type: none"> <li>Grant to cover up to 80% of an employee's salary costs (who is not working as a result of Covid-19 but whose job has been retained).</li> <li>There is no limit to the total level of funding however the maximum claim per employee is limited to £2,500 per month.</li> <li>Salary costs can be back-dated to 1 March 2020.</li> <li>The scheme will initially last for three months.</li> </ul>	<ul style="list-style-type: none"> <li>Grants to be provided by HMRC although exact details on how to claim have not yet been announced.</li> </ul>	<ul style="list-style-type: none"> <li>Please ask to see the article written by DTE's Tax Partner, George Lovell, for further details. This is also published on DTE's website.</li> </ul>
<b>Statutory Sick Pay (SSP)</b>	<ul style="list-style-type: none"> <li>Small and medium sized businesses with fewer than 250 employees.</li> </ul>	<ul style="list-style-type: none"> <li>SSP is payable from day one for those employees who are self-isolating or unwell as a result of Covid-19 (usually payable from day three).</li> <li>SSP paid from 13 March 2020 as a consequence of Covid-19 can be recovered for a maximum of two weeks sickness per employee.</li> </ul>	<ul style="list-style-type: none"> <li>The Government is working with businesses to introduce a recovery tool to reclaim SSP paid to qualifying employees.</li> </ul>	<ul style="list-style-type: none"> <li>Businesses will need to keep records of sickness and sick pay as a consequence of Covid-19 for future recovery from the Government.</li> </ul>
<b>Commercial Tenants</b>	<ul style="list-style-type: none"> <li>All commercial tenants.</li> <li>Protection runs until 30 June 2020.</li> </ul>	<ul style="list-style-type: none"> <li>Commercial tenants who cannot pay their rents (as a result of Covid-19) will be protected from eviction for three months.</li> <li>This scheme is not a rent holiday or waiver, it is a deferral and the tenant remains liable for paying the rent due.</li> </ul>	<ul style="list-style-type: none"> <li>No application</li> <li>Anticipated to be covered by the UK Government's Coronavirus Bill</li> </ul>	

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<b>VAT Deferral</b>	<ul style="list-style-type: none"> <li>All businesses registered for VAT in the UK.</li> </ul>	<ul style="list-style-type: none"> <li>VAT payments due between 20 March 2020 and 30 June 2020 will be deferred.</li> <li>No VAT payments are required to be made in this period (this applies to payments on account and overall VAT liabilities).</li> </ul>	<ul style="list-style-type: none"> <li>Automatically applied.</li> <li>Businesses who pay by direct debit are advised to suspend the arrangement for the period of deferral.</li> </ul>	<ul style="list-style-type: none"> <li>The deferral is optional and businesses able to pay their VAT during the deferral period should continue to do so.</li> <li>We anticipate further guidance will be issued in due course.</li> </ul>
<b>Income Tax Deferral</b>	<ul style="list-style-type: none"> <li>All taxpayers due to make a payment on account of income tax on 31 July 2020.</li> </ul>	<ul style="list-style-type: none"> <li>Income tax payments on account due 31 July 2020 will be deferred until 31 January 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Automatically applied.</li> <li>Taxpayers who pay by direct debit are advised to cancel the payment for 31 July 2020.</li> </ul>	<ul style="list-style-type: none"> <li>The deferral is optional and tax payers able to pay their liability on 31 July 2020 should do so.</li> </ul>
<b>Time to Pay (TTP)</b>	<ul style="list-style-type: none"> <li>All businesses.</li> <li>However, HMRC has indicated this should be treated as a last resort of finance.</li> </ul>	<ul style="list-style-type: none"> <li>A TTP allows a business to defer its current tax debts.</li> <li>HMRC has ramped up the resource to offer deferrals without interest and penalties.</li> </ul>	<ul style="list-style-type: none"> <li>HMRC has set up a dedicated helpline (0800 0159 599).</li> </ul>	<ul style="list-style-type: none"> <li>Businesses are advised to be prepared before speaking to HMRC. We are happy to assist with the information collation before contact is made with HMRC.</li> </ul>
<b>Business Rate Holiday</b>	<ul style="list-style-type: none"> <li>Retail, hospitality and leisure businesses.</li> </ul>	<ul style="list-style-type: none"> <li>100% business rates relief between 1 April 2020 and 31 March 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Local authorities will automatically process the relief to qualifying businesses as part of their next council tax bill.</li> </ul>	<ul style="list-style-type: none"> <li>Further guidance is available on which businesses qualify. Please be in touch should you wish to discuss.</li> </ul>
<b>Small Business Grant</b>	<ul style="list-style-type: none"> <li>All businesses in receipt of small business rate relief or rural rate relief.</li> </ul>	<ul style="list-style-type: none"> <li>A one-off £10,000 grant for eligible businesses to help meet ongoing business costs.</li> </ul>	<ul style="list-style-type: none"> <li>Local authorities will be in touch with businesses who qualify for the relief.</li> </ul>	<ul style="list-style-type: none"> <li>Likely to be in place early April 2020.</li> </ul>

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<b>Retail &amp; Hospitality Grants</b>	<ul style="list-style-type: none"> <li>• Retail, hospitality and leisure businesses.</li> <li>• We note the above includes Estate Agents, Letting Agencies, Bingo Halls, Betting Shops and Casinos.</li> <li>• The scheme is not available where this is for personal use.</li> </ul>	<ul style="list-style-type: none"> <li>• Grant funding of £25,000 is available for qualifying businesses with a rateable value between £15,000 and £51,000.</li> </ul>	<ul style="list-style-type: none"> <li>• Local authorities will be in touch with businesses who qualify for the relief.</li> </ul>	<ul style="list-style-type: none"> <li>• Further details to be announced.</li> </ul>
<b>Self-employment Income Support</b>	<ul style="list-style-type: none"> <li>• Need to have submitted an income tax self-assessment tax return for the tax year 2018/19.</li> <li>• Must be trading (or would be except for Covid-19) and must have traded in the tax year 2019/20.</li> <li>• Self-employed trading profits must be less than £50,000 and more than half of an individual's income.</li> </ul>	<ul style="list-style-type: none"> <li>• Taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for the next three months.</li> <li>• The taxable grant will be calculated by HMRC and will be based on the average of the total trading profit for the previous three tax years (where applicable).</li> </ul>	<ul style="list-style-type: none"> <li>• HMRC will contact individuals directly who are eligible for the scheme and invite you to apply online.</li> </ul>	<ul style="list-style-type: none"> <li>• Individuals who have not yet completed their income tax self-assessment tax return for 2018/19 have four weeks to do so.</li> </ul>

- Events are ever changing and information is regularly being updated regarding the Government's response and associated measures announced in relation to Covid-19.
- DTE's aim is to summarise the information we are currently aware of and to make this available to our clients and contacts. Please see [www.gov.uk/government/publications](http://www.gov.uk/government/publications) for the Government's full release on Covid-19 support.
- Please note: not all of the measures announced by the UK Government at present are clear on criteria for eligibility and other detail. We will continue to monitor the situation and update the document as new information becomes clear.
- Should you wish to discuss any of the measures and schemes included within this document, please do not hesitate to get in touch with our dedicated Covid-19 team (details below).



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### How we can help:

- Advising businesses on short term cash requirements and strategies throughout, and in the wake of, the coronavirus pandemic;
- Preparing financial information, including cash flow forecasts, to present to potential funders;
- Reviewing business plans and understanding the effects on trading pre and post pandemic; and
- Assisting with applications to Government schemes (including the Coronavirus Business Interruption Loan Scheme) and managing negotiations with existing funders.