

# CORONAVIRUS SUPPORT FOR BUSINESSES:

FINANCIAL AID AVAILABLE TO YOU

2021 BUDGET EDITION

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# CORONAVIRUS SUPPORT FOR BUSINESSES:

## Financial aid available to you

As the UK prepares for the proposed Government roadmap to ease the lockdown restrictions, we want to ensure that our valued clients have access to the most up to date information to make your life a little easier.

Dubbed the budget for the pandemic, the Chancellor of the Exchequer has delivered the 2021 budget; with changes to some of the support already in place, as well as new initiatives, you may be eligible for loans, tax relief and grants.

# BREAKDOWN OF FINANCIAL SUPPORT FOR BUSINESSES

Coronavirus (COVID 19) support is available to employers and the self-employed, including sole traders and limited company directors. You may be eligible for loans, tax relief and cash grants, whether your business is open or closed.

[Click here to use this business support finder to see what support is available for you and your business](#)

Below is a summary of some of the support your business may be entitled to. Please note this may not be comprehensive so we would thoroughly recommend using the tool on the link above to gain insight into what may be most suitable for your business.

## LOCAL RESTRICTIONS SUPPORT GRANTS

There are a range of grants available for businesses that have had to close, or been adversely affected, by local or national coronavirus restrictions. These are managed by local councils.

You can find relevant information and apply for the above grants where applicable via your local council webpage.

[Click here to find out more about each grant and its eligibility criteria via the government website](#)

[Click here to find the website for your local council](#)



### MARCH 2021 UPDATE

#### New restart grants

From April 2021, a new restart grant will be available for business in England with the aim of helping to reopen the nation's high streets after lockdown.

This grant offers a one off cash grant of up to £18,00 to businesses including: clubs, gyms, hotels, pubs and restaurants. Your business may be eligible if it is based in England, has been unable to provide usual in-person customer service and had to close because of the national lockdown from June 2021 or between 5 November 2020 and December 2020.

Non-essential retail businesses can get up to £6,000 through the scheme as the roadmap plans for shops to reopen sooner than other businesses.

[Click here to find out more](#)

## STATUTORY SICK PAY REBATE

Employers can reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID 19. This scheme will cover up to 2 weeks of SSP for every eligible employee.

Employers must maintain records of staff absences and payments for SSP. Employees will not have to provide a GP fit note.

**You may be eligible if your business meets both of the following requirements. Your business is:**

- UK based
- small or medium-sized and employs fewer than 250 employees as of 28 February 2020

[Click here to check if you can claim back Statutory Sick Pay paid to employees due to coronavirus](#)

## BUSINESS RATES HOLIDAYS DISCOUNT FOR TAX YEAR 2021-2022

The government cancelled business rates for all retail, leisure and hospitality businesses, in response to the Covid 19 outbreak.

The business rate holiday applied in England for the full tax year 2020-2021 has now been extended to June 2021 for:

- Assembly or leisure properties such as sports clubs, gyms, spas
- Cinemas and live music venues
- Restaurants, cafes, bars, pubs
- Shops
- Hospitality properties such as hotels, guest houses, self-catering accommodation

After June 2021 business rates will be discounted for the remaining tax year 2021-22. There will be a 66% business rate reduction from 1 July 2021 to March 2022, up to a maximum £2 million for closed businesses.

You don't need to do anything to get this as it will be applied to your April 2021 council tax bill.

[Click here to calculate your business rates](#)

## BUSINESS RATES HOLIDAY FOR NURSERIES

Nurseries will continue to be exempt until 30 June 2021, they will then get further discount and pay one this the usual rate until March 2022.

To be eligible, the building needs to be occupied by providers on Ofsted's early years register and completely or mainly used to provide the Early years Foundation Stage (care and education for ages up to five).

As with other business rate relief you don't need to do anything if you are eligible, your council tax will be adjusted accordingly.

## RECOVERY LOAN SCHEME

The government announced a new Recovery Loan Scheme which will replace the existing government guarantee schemes that are coming to an end in March 2021.

Through this scheme businesses can get between £25k and £10m, with the government giving lenders an 80% guarantee. This scheme is scheduled to run from 6th April to the end of the year.

**The government hasn't confirmed the full details as yet but you can find more information here**

## BOUNCE BACK LOAN SCHEME FOR SMALL BUSINESSES

This scheme ends on 31 March 2021 and will be replaced by a new Recovery Loan Scheme (as detailed above).

The Bounce Back Loan Scheme (BBLs) provides loans between £2,000 and £50,000, with the government giving accredited lenders a 100% guarantee for the loans they pay out.

The government will also cover any fees and interest for the first year, and small business owners will not need to repay anything towards their Bounce Back Loan in the first 12 months and thereafter "2.5 per cent interest for the remaining period of the loan", according to the government website.

The government announced changes to the BBLs in September 2020, calling these changes a 'pay as you grow' scheme for businesses including a 10 year repayment period rather than the previous six year term and one payment holiday lasting six months (subject to having made six payments).

Following the November 2020 lockdown announcement, the government announced that businesses could top up their loan if they had borrowed less than the maximum (25 per cent of turnover). **This option can only be used once.**

The deadline for applying for a new Bounce Back Loan is now the end of March 2021. You can apply for a Bounce Back Loan on the government website.

**Click here to visit the government website**

## SUPPORT FOR BUSINESSES PAYING TAX: TIME TO PAY SERVICE

If you cannot pay your tax bill on time because of coronavirus, you may be able to delay it without penalty using HMRC's Time to Pay service.

**You may be eligible if you are a UK business that:**

- pays tax to the UK government
- has outstanding tax liabilities

**Click here if you cannot pay your tax bill on time**

## SUPPORT TO CREATE JOB PLACEMENTS: KICKSTART SCHEME

The Kickstart Scheme gives you financial support to create new 6-month job placements for young people who are currently on Universal Credit and at risk of long-term unemployment. The scheme is open to all organisations. Employers can spread the start date of the job placements up until the end of December 2021.

It pays:

- 100% of the relevant National Minimum Wage for 25 hours a week
- employer National Insurance
- minimum automatic pension enrolment contributions
- £1,500 per job placement for setup costs, support and training

**Each application is for a minimum of 30 job placements. You can partner with other organisations if you have fewer than 30.**

**Check if you can apply for a Kickstart Grant**



# BREAKDOWN OF FINANCIAL SUPPORT FOR THE SELF-EMPLOYED

[Click here to check if you can claim a grant through the Self Employment Income Support Scheme](#) 

The Self-Employment Income Support Scheme grant extension provides critical support to the self-employed with the release of a further 2 grants. Each is available for 3 month periods covering February 2021-April 2021 and May 2021-July 2021.

## WHAT THE GRANT EXTENSION COVERS

The fourth grant is for February 2021-April 2021 and will pay 80% of your trading profits up to a cap of £7500.

The fifth grant covers May 2021- July 2021 and will pay 80% of your average trading profits if you have seen a drop in turnover of 30% or more. For those less severely affected it will pay 30%.

## NEW FROM THE 2021 BUDGET

Previously for the newly self employed grants haven't been available. If you've submitted your tax return for 2019-2020 before midnight on 2nd March you're eligible.

The Self Employed Income Support Scheme is a grant not a loan meaning you won't need to pay it back. You will however owe any National Insurance and Income tax on any money you get through the scheme.

## HOW THE GRANT WORKS

If you receive the grant you can:

- continue to work
- start a new trade or take on other employment including voluntary work and duties as a military reservist

The grant does not need to be repaid if you're eligible, but will be subject to Income Tax and [self-employed National Insurance](#).

HMRC will work out if you're eligible and how much grant you may get. But you can follow these steps to help you understand how the government will do this and what you can do now.

[1. Find out who can claim.](#)

[2. Check that your business is adversely affected.](#)

[3. Find out how HMRC works out your grant.](#)

[4. Make your claim.](#)

[5. Find out what happens after you've claimed.](#)



# WE ARE HERE TO SUPPORT YOU

If you would like to discuss how your insurance cover may be affected by the latest government updates, or if we can help in any other way, please call a member of our team.