



Oaklins

COVID-19

Support for businesses and individuals

*Support for
individuals*



Support for individuals and businesses affected by COVID-19: An overview

Individuals

	Job retention scheme	Income tax deferral	Self-employed income support	Time to pay
Measure	Businesses may be able to 'furlough' employees, to safeguard against redundancies. HMRC will reimburse eligible employers 80% of the wage cost for each employee, capped at £2,500 per month	July income tax payments will be deferred to January 2021	A taxable grant of 80% of monthly earnings	Extended support through HMRC's time to pay service
Eligibility	Small or medium-sized UK businesses with fewer than 250 employees on 28 February	Anyone due to pay income tax in July	Broadly, those who were self-employed in 2018/19 earning under £50,000, and have lost income due to COVID-19	Any business or self employed individual with financial difficulties caused by COVID-19
How to access	Designate affected employees as furloughed and notify them of this. Once the online portal has been set up, submit details about the affected employees and their wages to HMRC	Will apply automatically	HMRC will contact those eligible and invite them to apply	Call the new helpline with details of your financial situation - your agent can do this on your behalf
Further details	The employer does not have to pay the remainder of the salary, and the employees will not be permitted to work for the business whilst furloughed. HMRC is developing a payment system	The deferral is optional, and the guidance is that taxpayers who can pay in July should do so	The scheme will initially cover three months, and the first payments are expected to be made in June as lump sums. It will be calculated as an average over the past three years. Individuals can continue to trade while claiming	The new helpline will provide practical help and advice and will enable you to agree a time to pay arrangement. Penalties and interest will be considered on a case by case basis
Further reading	Click for link	Click for link	Click for link	Click for link

*Support for
businesses*



Support for businesses and individuals affected by COVID-19: An overview

Businesses

	Job retention scheme	VAT deferral	Time to pay	Sick pay support	Coronavirus Business Interruption Loan Scheme
Measure	Businesses may be able to 'furlough' employees, to safeguard against redundancies. HMRC will reimburse eligible employers 80% of the wage cost for each employee, capped at £2,500 per month	All VAT payments due from 20 March 2020 until 30 June 2020 may be deferred to April 2021	Extended support through HMRC's time to pay service	The Government will reimburse eligible employers up to two weeks of statutory sick pay for employees off work due to COVID-19	Funding scheme for loans of up to £5m for SME's
Eligibility	Small or medium-sized UK businesses with fewer than 250 employees on 28 February	All UK businesses	Any business or self employed individual with financial difficulties caused by COVID-19	Small or medium-sized UK businesses with fewer than 250 employees on 28 February	UK-based businesses generating up to £45m in revenues
How to access	Designate affected employees as furloughed and notify them of this. Once the online portal has been set up, submit details about the affected employees and their wages to HMRC	Direct debits should be cancelled, but the deferral applies automatically	Call the new helpline with details of your financial situation - your agent can do this on your behalf	The mechanism for claiming reimbursement has not yet been set up. Records of sick pay should be kept, but GP letters are not required	Through one of the 40+ lenders accredited by the British Business Bank
Further details	The employer does not have to pay the remainder of the salary, and the employees will not be permitted to work for the business whilst furloughed. HMRC is developing a payment system	Businesses will be given until 5 April 2021 to pay liabilities that have accumulated during the deferral period. VAT refunds and reclaims will be paid as normal	The new helpline will provide practical help and advice and will enable you to agree a time to pay arrangement. Penalties and interest will be considered on a case by case basis	The reimbursement can cover employees self-isolating due to a member of their household having symptoms, as well as those with symptoms themselves	The first 12 months will be interest free. The Government are providing lenders with a guarantee of 80% of the balance however the borrower is 100% liable for the balance
Further reading	Click for link	Click for link	Click for link	Click for link	Click for link

Support for businesses and individuals affected by COVID-19: An overview

Businesses

	Loan scheme for businesses generating greater than £45m in revenues	COVID-19 Corporate Financing Facility	Business rate holidays	Cash grants of up to £25,000	Cash grants of up to £10,000
Measure	Funding scheme for loans of up to £50m for larger companies	Provision of short term debt funding provided by the Bank of England for larger companies	A business rate holiday for the 2020-21 tax year	The Government is funding a £25,000 cash grant to retail, hospitality and leisure businesses	The Small Business Grant Scheme is providing funding of £10,000 to support small businesses meet their ongoing business costs
Eligibility	UK-based businesses generating greater than £45m in revenues	All companies making material contributions to the UK economy and in sound financial health	Retail, hospitality, leisure and nursery businesses	Retail, hospitality, leisure and nursery businesses operating from smaller premises with a rateable value of less than £51,000	UK-based businesses occupying a property and already receiving small business rate relief and/or rural rate relief
How to access	Through a list of accredited lenders, with further details found on the British Business Bank website	You will first need to discuss the facility with your bank and subsequently complete the forms as found on the Bank of England website	There is no action to be taken; it will automatically apply to the next council tax bill of eligible businesses. Local authorities may have to reissue bills, however, to exclude the business rate charge	The funding will be available from April 2020. There is no action for businesses seeking this as Local Authorities will be writing to businesses that are eligible for this grant	There is no action for businesses seeking this as Local Authorities will be writing to businesses that are eligible for this grant
Further details	<p>The scheme is providing access to finance of up to £25m to businesses with turnover between £45m and £250m; and up to £50m to businesses with a turnover of over £250m.</p> <p>The Government are providing lenders with a guarantee of 80% of the balance however the borrower is 100% liable for the balance</p>	<p>The scheme requires issuance of commercial paper and should have a maturity of one week to twelve months, an investment grade credit rating as at 1 March 2020 and be issued directly into Euroclear and/or Clearstream.</p> <p>The minimum size of individual security is £1m and indicative rates are shown on the Bank of England website</p>	<p>The relief will benefit properties used for purposes such as shops, restaurants, cafes, drinking establishments, hotels and self-catering accommodation.</p> <p>For nursery businesses, the property should be wholly or mainly used for the provision of the Early Years Foundation Stage, and occupied by providers on Ofsted's Early Years Register</p>	<p>The cash grant is on a per property basis.</p> <p>Businesses with a rateable value of less than £15,000 will receive a £10,000 cash grant; businesses with a rateable value of between £15,000 and £51,000 will receive a grant of £25,000</p> <p>To find and check your business rates valuation, please visit the website</p>	<p>SBBR may apply if the rateable value of a business's property is less than £15,000 and the business only uses one property. RRR may apply if the business is in a rural area with a small population, it is the only village shop or post office with a rateable value of up to £8,500, or the only public house or petrol station with a rateable value of up to £12,500</p> <p>To find and check your business rates valuation, please visit the website</p>
Further reading		Click for link	Click for link	Click for link	Click for link

For more information speak to

Brian Livingston

Managing Director

T: +44 7764 822398

b.livingston@sw.oaklins.com

Philip Barker

Director

T: +44 7747 758646

p.barker@sw.oaklins.com

Amanda Phillips

Director

T: +44 7455 838335

a.phillips@sw.oaklins.com



Oaklins

Disclaimer

We have taken great care to ensure the accuracy of this publication. However, the publication is written in general terms and you are strongly recommended to seek specific advice before taking any action based on the information it contains.

No responsibility can be taken for any loss arising from action taken or refrained from on the basis of this publication.

This publication is of a general nature and is not a substitute for professional advice. No responsibility can be accepted for the consequences of any action taken or refrained from as a result of what is said.

Clients should always seek appropriate tax advice from their financial adviser before committing funds for investment.

The Financial Conduct Authority does not regulate all of the products and services referred to in this document, including Tax, Assurance and Business Services.

Smith & Williamson Corporate Finance Limited t/a Oaklins Smith & Williamson is an independent firm which offers financial advisory services. It is a member of Oaklins International Inc., which comprises a number of firms around the world which are all separately constituted and regulated according to their local laws. Oaklins is a trade name owned by Oaklins Swiss Verein and licensed to Oaklins International Inc. They do not provide any financial advisory services themselves. Please refer to Oaklins.com for legal notices.

Smith & Williamson Corporate Finance Limited

Authorised and regulated by the Financial Conduct Authority