

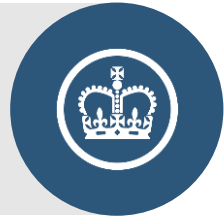
**inVerness**  
CHAMBER OF COMMERCE  
Serving Highland Businesses Since 1893

**Coronavirus (COVID-19)  
Business Survival Guide**

**Financial Support Schemes  
For Businesses**

# JOB RETENTION SCHEME

## WHAT IS THE CORONAVIRUS JOB RETENTION SCHEME?



- Under the Coronavirus Job Retention Scheme, all UK employers will be able to access support to continue paying part of their employees' salary for those employees that would otherwise have been laid off during the crisis;
- All UK businesses are eligible, regardless of size;
- HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month; and
- HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers so further details will be released in the coming days.

- Businesses will need to:
- Designate affected employees as 'furloughed workers,' and notify your employees of this change;
- Changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation; and
- Submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal.
- HMRC will set out further details on the information required in the coming days.



## HOW TO ACCESS THE SCHEME

Further information from HMRC can be located [here](#).

# NON-DOMESTIC RATES/GRANTS



## WHAT SUPPORT IS AVAILABLE?



- All non-domestic properties in Scotland will receive a 1.6% rates relief, effectively reversing the change in poundage for 2020-21;
- Businesses do not need to apply for this relief and it will be applied to their bill automatically by its local Council;
- Retail, hospitality and leisure businesses will receive 100% rates relief. To receive this relief, a property has to be occupied;
- The Scottish Government are working with Scotland's 32 Councils to make sure this relief is administered in the most effective way; and
- If a business is struggling to pay its current non-domestic rates bill then they should contact their local council and ask about possible payment options.

- Retail, hospitality and leisure businesses with a rateable value between £18,000, and up to and including £51,000, will be able to apply for a one-off grant of £25,000.
- A one-off grant of £10,000 will also be available to small businesses who currently receive:
  - Small Business Bonus Scheme
  - Rural Relief
- Businesses can also get this grant if they have applied for Nursery Relief or Disabled Relief but are eligible for the Small Business Bonus Scheme; and
- Businesses can only apply for one grant, even if they own multiple properties.



## WHAT GRANTS ARE AVAILABLE?

**Further information regarding any application process is yet to be released but will be shared when available**

# CBILS SCHEME

## WHAT IS THE CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME?



- CBILS is a new scheme that can provide facilities of up to £5m for smaller businesses across the UK who are experiencing lost or deferred revenues, leading to disruptions to their cashflow.
- CBILS supports a wide range of business finance products, including term loans, overdrafts, invoice finance and asset finance facilities.
- The scheme provides the **lender** with a government-backed guarantee, potentially enabling a 'no' credit decision to become a 'yes';
- Smaller businesses from all sectors can apply for the full amount of the facility. To be eligible for a facility under CBILS, an SME must:
  - Be UK based in its business activity, with turnover of no more than £45m per year; and
  - Have a borrowing proposal which, were it not for the current pandemic, would be considered viable by the lender.
- If the lender can offer finance on normal commercial terms without the need to make use of the scheme, they will do so.

- **Up to £5m facility:** The maximum value of a facility provided under the scheme will be £5m, available on repayment terms of up to 6 years.
- **80% guarantee:** The scheme provides the lender with a government-backed, partial guarantee (80%) against the outstanding facility balance, subject to an overall cap.
- **No guarantee fee for SMEs to access the scheme:** No fee for smaller businesses.
- **Interest and fees paid by Government for 12 months:** The Government will make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees, so smaller businesses will benefit from no upfront costs and lower initial repayments.
- **Finance terms:** Finance terms are up to six years for term loans and asset finance facilities. For overdrafts and invoice finance, terms will be up to 3 years.
- **Security:** At the discretion of the lender, the scheme may be used for unsecured lending for facilities of £250,000 and under.
- **The borrower always remains 100% liable for the debt.**

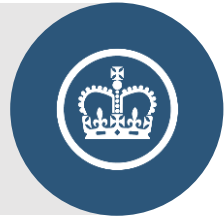


## SCHEME FEATURES

To apply and further information – [click here.](#)

# DEFERRING VAT AND INCOME TAX

## WHAT IS THE AVAILABLE SUPPORT FOR VAT?



- HMRC will support businesses by deferring Valued Added Tax (VAT) payments for 3 months;
- For VAT, the deferral will apply from 20 March 2020 until 30 June 2020;
- Businesses will not need to make a VAT payment during this period;
- VAT refunds and reclaims will be paid by the government as normal;
- All UK businesses are eligible; and
- This is an automatic offer with no applications required.

- If a person is self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021;
- Taxpayers will be given until the end of the 2020 to 2021 tax year to pay any liabilities that have accumulated during the deferral period;
- If you are self-employed you are eligible;
- This is an automatic offer with no applications required; and
- No penalties or interest for late payment will be charged in the deferral period.



## WHAT IS THE AVAILABLE SUPPORT FOR INCOME TAX

**HMRC has also scaled up its [Time to Pay offer](#) to all firms and individuals who are in temporary financial distress as a result of Covid-19 and have outstanding tax liabilities.**

# PAYING SICK PAY TO EMPLOYEES

## WHAT IS THE AVAILABLE SUPPORT FOR EMPLOYERS PAYING SICK PAY?



- HMRC will bring forward legislation to allow small-and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19;
- You are eligible for the scheme if:
  - Your business is UK based;
  - Your business is a small or medium-sized; and
  - Employs fewer than 250 employees as of 28 February 2020.
- A rebate scheme is being developed.
- Further details will be provided in due course once the legalisation has passed.

- This refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19;
- Employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19;
- Employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note. If evidence is required by an employer, those with symptoms of coronavirus can get an isolation note from NHS 111 online and those who live with someone that has symptoms can get a note from the NHS website; and
- Eligible period for the scheme will commence the day after the regulations on the extension of SSP to those staying at home comes into force.



## WHAT IS THE ELIGIBILITY CRITERIA

**The government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible which we will share.**