

CORONAVIRUS – COVID-19 Business Update

Andover Business Improvement District (BID) continues to support businesses through this difficult and unprecedented period. Here you will find details of the Government support grants and loans announced for businesses. There is a link to each website so that you can easily download and read the specific information relating to your business.

SELF-EMPLOYMENT INCOME SUPPORT SCHEME

A statement regarding support for the self-employed was announced by the Chancellor Rishi Sunak. The Chancellor said that the scheme will benefit some 95% of people whose main income source is derived from self-employment, below is a summary:

- The support is for self-employed whose income has been negatively impacted by COVID-19
- HMRC will base the cash grant on 80% of profits to a maximum of £2500 per month
- The scheme is initially for three months, 1 March – 31 May with first claims by June
- HMRC will use the average profits from tax returns 2016/17 2017/18 in 2018/19 to calculate the grant
- For trading profits of less than £50,000 with more than half of total income from self-employment
- For those trading in 2019/20 and currently still trading at the point of application (those who haven't completed a return for this period have until the 23 April to do so)

SMALL BUSINESS GRANTS SCHEME (£10,000)

For businesses that pay little or no business rates this will provide a one-off grant of £10,000 to businesses in receipt of Small Business Rates Relief (SBRR) and rates relief. If your business is eligible for SBRR or rural rate relief you will be contacted, you do not need to apply, Test Valley Borough Council will write to you.

<https://www.businesssupport.gov.uk/small-business-grant-funding/>

RETAIL & HOSPITALITY GRANT (£25,000)

The Retail and Hospitality Grant Scheme provides businesses in the retail hospitality and leisure centres with a cash grant of up to £25,000 per property.

- Businesses in these sectors with a rateable value of under £15,000 will receive a grant of £10,000.
- Businesses in the sector is with a rateable value of between £15,000 and £51,000 will receive a grant of £25,000.

Local authorities will receive funding for the scheme from the Government in early April 2020. Grants are cash lump sums and do not have to be repaid. You do not need to do anything to access the scheme, if you are eligible for this grant Test Valley Borough Council will write to you.

<https://www.businesssupport.gov.uk/cash-grant-for-retail-hospitality-and-leisure/>

BUSINESS RATES RELIEF

The government has said it will increase the retail discount to 100% for 12 months and this has been expanded and includes retail, hospitality and leisure properties such as museums, theatres, gyms, pubs, shops, music venues, restaurants and hotels. If your business has received the retail discount in the 2019 to 2020 tax year a revised bill as soon as possible. There is no action for you to take.

<https://www.businesssupport.gov.uk/business-rates-holiday-for-retail-hospitality-and-leisure/>

BUSINESS INTERRUPTION LOANS

The government announced as part of the Spring Budget 2020 that a new Coronavirus Business interruption Loan Scheme will be launched. Since the Budget changes have been made to the scheme increasing the benefits provided. The scheme will be delivered by the British Business Bank to support the continued provision of finance to UK businesses during the Covid-19 outbreak. And will support loans of up to £5million with no interest due for the first 6-months.

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-business-interruption-loan-scheme>

HARDSHIP FUND

As part of its response to COVID-19, the government announced in the budget on the 11 March that it would provide local authorities in England with £500 million of new grant funding to support economically vulnerable people and households in their local area. TVBC's allocation of the grant is £573 710.

<https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance>

HELP FOR PEOPLE WHO ARE SELF-EMPLOYED

Under this scheme if you're self-employed or a member of a partnership and have lost income due to coronavirus.

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

OTHER GOVERNMENT ANNOUNCEMENTS HAVE INCLUDED

- A 3-month mortgage holiday
- A relaxation on rules to allow pubs & restaurants to act as hot food take-aways.
- Advice & support on tax obligations and payments.
- HMRC Time pay arrangements
- Commercial tenants unable to pay protected from eviction
- Statutory sick pay for businesses with fewer than 250 employees' will be refunded in full

For details of the dedicated Business Government support website:

<https://www.businesssupport.gov.uk/coronavirus-business-support/>

Our local authority is Test Valley Borough Council:

<https://testvalley.gov.uk/business/businessgrantsandsupport/coronavirus-covid-19-advice-for-businesses>