

Coronavirus – Summary of UK Government Funding

Published on 12 April 2021



Scheme name	Who it's for	Details	Application process	Website link
<p>Time to Pay (TTP) Arrangements</p>	<p>Available to any business, providing they can show that all other avenues for financing have been exhausted.</p>	<p>Although TTP is not a new concept, HMRC is providing additional capacity to deal with enquiries to its helpline.</p> <p>Under the TTP arrangement, your business may be able to defer VAT, Corporation Tax, Income Tax, and payroll-related tax bills.</p> <p>HMRC would then agree arrangements for the tax debt to be repaid in instalments.</p>	<p>Contact HMRC's helpline: 0800 024 1222.</p> <p>If the sum to be deferred is less than £750,000 HMRC aims to deal with requests in under an hour although larger sums may take longer.</p> <p>It is important to know that, as a director, you will be expected to confirm in writing that you will ensure the instalments are paid on time.</p>	
<p>The Additional Restrictions Grant</p>	<p>Business in England that are not eligible for other grant funding because they do not pay business rates or are not the ratepayer, as well as businesses affected by Coronavirus but that do not have to close and those in receipt of grants through LRSG (Closed) where the local authority determines a larger grant is warranted.</p>	<p>Funding has been provided to local authorities to provide funding on a discretionary basis.</p>	<p>Grants will be distributed by local authorities, which will need to establish application processes.</p>	

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<p>Rates Relief</p>	<p>Businesses in the retail, hospitality and leisure sectors.</p>	<p>Allows for a 100 per cent business rates discount for all businesses in these sectors.</p> <p>Unoccupied properties where they become vacant in the next 12 months will be charged 100 per cent full rate after three months of void rate holiday following vacation, this will continue to apply unless the rules are amended.</p> <p>Properties which have had to close temporarily due to the Coronavirus measures will be treated as occupied.</p> <p>The relief applies from 1 April 2020 until 30 June 2021.</p> <p>This will be followed by 66 per cent business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £2 million per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties.</p>	<p>The Ministry of Housing, Communities and Local Government has issued a guidance note to all local authorities on this discount, clarifying which properties are eligible.</p> <p>This list includes:</p> <ul style="list-style-type: none"> • Shops • Cinemas • Restaurants • Gyms • Music venues • Estate agents • Letting agencies • Small hotels • B&Bs • Guest houses • Sports clubs • Night clubs • Bingo halls • Nurseries <p>Local Billing Authorities will administer the application process and they should already have knowledge of which properties are eligible, so it would be best to contact them in the first instance.</p>	

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<p>Coronavirus Statutory Sick Pay Rebate Scheme</p>	<p>To be eligible for a repayment of SSP, an employer has to:</p> <ul style="list-style-type: none"> • be claiming for an employee who is eligible for sick pay due to Coronavirus • have a PAYE payroll scheme that was created and started on or before 28 February 2020 • have had fewer than 250 employees on 28 February 2020. <p>The scheme covers all types of employment, including agency workers and those on flexible or zero-hour contracts.</p>	<p>Businesses can reclaim up to two weeks of SSP per employee paid to those required to take time off to self-isolate as a result of the Coronavirus outbreak unless the reason for self-isolation is return from overseas travel.</p> <p>SSP will also be payable from day one now for those employees required to self-isolate.</p> <p>Only qualifying employees, whose average weekly earnings are above £118 are entitled to SSP. SSP is paid at a rate of £95.85 per week.</p>	<p>Employers can now submit claims using HMRC's online portal at: www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19.</p> <p>Employers must keep a record of:</p> <ul style="list-style-type: none"> • the reason why an employee could not work; • details of each period when an employee could not work, including start and end dates; • details of the SSP qualifying days when an employee could not work; and • National Insurance numbers of all employees who have received SSP as a result of Coronavirus. <p>Businesses must keep these records for at least three years following their claim.</p>	

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<p>Coronavirus Job Retention Scheme (CJRS) Extension</p>	<p>All UK employers with a PAYE payroll scheme started on or before 30 October 2020, which are enrolled for PAYE online and have a UK bank account.</p> <p>For periods from 1 November 2020 to 30 April 2021, you can claim for employees who were employed on 30 October 2020, as long as you have made a PAYE RTI submission to HMRC between the 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee. This may differ where you have made employees redundant, or they stopped working for you on or after 23 September 2020 and you have subsequently re-employed them. You do not need to have previously claimed for an employee before the 30 October 2020 to claim.</p> <p>For periods starting on or after 1 May 2021, you can claim for employees who were employed on 2 March 2021, as long as you have made a PAYE Real Time Information (RTI) submission to HMRC between 20 March 2020 and 2 March 2021, notifying a payment of earnings for that employee. You do not need to have previously claimed for an employee before the 2 March 2021 to claim for periods starting on or after 1 May 2021.</p> <p>Since 1 December 2020, employers can no longer claim for employees serving statutory notice periods, including redundancy, retirement or resignation.</p>	<p>The scheme is now due to close on 30 September 2021.</p> <p>The extension of the CJRS will see 80 per cent of furloughed workers' usual wages up to a cap of £2,500 per month per employee covered up until 30 January.</p> <p>From 1 July 2021, the amount contributed by the Government will be reduced to 70 per cent of a furloughed workers' usual wages up to a cap of £2,187.50. Employers will be expected to pay the remaining 10 per cent so that workers continue to receive 80 per cent of their regular wage.</p> <p>From 1 August until the scheme ends in September the Government contribution will be 60 per cent of a worker's regular wage, capped at £1,875. Employers will be expected to contribute the remaining 20 per cent.</p> <p>Employers must continue to pay the associated National Insurance (NI) and pension contributions until the scheme closes.</p> <p>Furloughed employees can work reduced hours under the terms of the extended scheme, with employers able to claim grants in respect of their usual hours not worked.</p> <p>HMRC now publishes details online of claims from December 2020 onwards, including employer names, company reference numbers (if applicable) and an indication of the amount claimed. The only exemption to this is where the publication of claim information would risk violence or intimidation.</p>	<p>The Scheme is administered by HMRC.</p> <p>Employers need to:</p> <ul style="list-style-type: none"> • Designate affected employees as 'furloughed workers'. • Calculate the value of their claim in accordance with the guidance and the current stage of the scheme, before submitting claims through the online portal here: www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme. 	

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<p>Temporary reduced rate of VAT for certain services in the hospitality and tourism sectors</p>	<p>VAT-registered businesses providing certain supplies relating to hospitality, accommodation, or admission to certain attractions.</p>	<p>Eligible supplies are subject to a lower five per cent rate of VAT from 15 July until 30 September 2021.</p> <p>A new 12.5% rate will then be introduced for six months to 31 March 2022 to help businesses transition back to the standard rate from 1 April 2022.</p>	<p>VAT-registered businesses providing eligible supplies can use the scheme by accounting for the lower rate of VAT in their VAT returns.</p> <p>Certain percentages have also been amended for small businesses using the Flat Rate Scheme.</p>	
<p>Deferring VAT Payments</p>	<p>All UK businesses.</p>	<p>The Government supported businesses by deferring VAT payments for three months, from 20 March 2020 until 30 June 2020.</p> <p>Businesses did not need to make a VAT payment during this period.</p> <p>Taxpayers originally had until 31 March 2021 to pay any liabilities that accumulated during this period. However, at his Winter Economy Statement on 24 September 2020, the Chancellor announced the option for businesses to opt-in to pay the deferred VAT in 11 equal interest-free instalments in the 2021-22 tax year (see New VAT Payment Scheme).</p>	<p>Businesses will need to opt-in to benefit from the option of making payments in instalments over the 2021-22 tax year.</p> <p>Opting in will be via an online portal which should be available in early 2021 – see weblink for updates.</p>	

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<p>VAT Deferral New Payment Scheme</p>	<p>All UK businesses who deferred VAT payments between March and June 2020 under the VAT Payment Deferral Scheme.</p>	<p>The VAT deferral new payment scheme is open from 23 February 2021 up to and including 21 June 2021.</p> <p>The new scheme lets a business pay deferred VAT in equal instalments, interest-free and choose the number of instalments, from 2 to 11 (depending on when they join).</p>	<p>Before joining, a business must:</p> <ul style="list-style-type: none"> • Create a Government Gateway account • Submit any outstanding VAT returns from the last four years • Correct errors on VAT returns as soon as possible • Make sure they know how much they owe, including the amount originally deferred and how much has already paid <p>To use the online service, a business must:</p> <ul style="list-style-type: none"> • Join the scheme itself – agents can't help • Have deferred VAT to pay • Be up to date with their VAT returns • Join by 21 June 2021 • Pay the first instalment when they join • Pay instalments by Direct Debit (alternative entry route). 	

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<p>Deferring Income Tax</p>	<p>All taxpayers who were due to pay their second Self-Assessment payment on account on 31 July 2020, whether or not they are self-employed and who have been affected by the outbreak.</p>	<p>Income Tax Self-Assessment payments due on the 31 July 2020 have been automatically deferred until the 31 January 2021.</p> <p>Taxpayers with up to £30,000 of self-assessment liabilities will be able to arrange an additional 12-month repayment plan, meaning the deferred payment will not need to be made in full until January 2022.</p>	<p>This was an automatic offer with no applications required.</p> <p>No penalties or interest for late payment will be charged in the deferral period.</p> <p>However, taxpayers wishing to make use of the additional 12-month payment plan will need to arrange it through the HMRC self-service Time to Pay facility by calling 0300 200 3822.</p>	
<p>Universal Credit</p>	<p>Self-employed and those not eligible for SSP.</p>	<p>Since 6 April 2020, the requirements of the Minimum Income Floor have been relaxed until the end of April 2021. This change applies to all Universal Credit claimants and will last for the duration of the outbreak. This means that those who are self-employed or ineligible for SSP can claim from day one.</p> <p>The amount provided will be based on 'topping up' to minimum wage, but could vary between different claimants based on their circumstances.</p>	<p>New claimants will not need to attend the job centre to demonstrate gainful self-employment.</p> <p>People are being asked to apply online for universal credit by visiting www.gov.uk/apply-universal-credit or by calling the Universal Credit Helpline on 0800 328 5644.</p>	

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<p>Self-employed Income Support Scheme</p>	<p>Self-employed individuals with trading profits of no more than £50,000, who receive the majority of income from self-employment and who have lost trading profits due to the crisis.</p> <p>They must have submitted a Self-Assessment Tax Return for 2018-19.</p> <p>People who pay themselves a salary and dividends through their own company are not eligible.</p>	<p>The first round of the scheme closed for applications on 13 July 2020 and paid self-employed individuals an amount equivalent to up to 80 per cent of their average monthly trading profits, capped at £2,500, to cover the three months from March 2020. The amount was paid in a single lump-sum based upon tax returns from 2016-17, 2017-18 and 2018-19.</p> <p>A second round of funding was launched in August 2020, and paid self-employed individuals up to 70 per cent of the average monthly trading profits, capped at £6,570 over three months, but paid in a single instalment.</p> <p>A third round, open for application from 30 November 2020 until 29 January 2021, paid up to 80 per cent of average monthly trading profits, capped at £7,500 over three months.</p> <p>The scheme has subsequently been extended and two further rounds of funding have been announced.</p> <p>The fourth SEISS grant will be set at 80 per cent of three months' average trading profits, paid out in a single instalment, capped at £7,500.</p> <p>The fourth grant will take into account 2019 to 2020 tax returns and will be open to those who became self-employed in tax year 2019 to 2020. The rest of the eligibility criteria remain unchanged.</p> <p>The fifth grant is intended to 'cover' the period from May 2021 to September 2021 and will be calculated based on 80 per cent of three months' average trading profits.</p>	<p>The online claims service for the fourth grant will be available from late April 2021 until 31 May 2021.</p>	

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<p>Kickstart Jobs Scheme</p>	<p>Any organisation, regardless of size, as long as it can create 30 job placements on its own, or joins with other employers to make a total of 30 job placements, for young people aged 16 to 24 years old.</p> <p>The roles cannot replace existing or planned vacancies, or cause existing employees or contractors to lose work.</p>	<p>The Kickstart Scheme provides funding to cover 100 per cent of the relevant National Minimum Wage for 25 hours a week, plus associated National Insurance and pension contributions, for six-month job placements for young people currently on Universal Credit and at risk of long-term unemployment. Employers will also receive a grant of £1,500 per job placement to cover setup costs, support and training.</p> <p>At the end of a six-month placement, the role can be taken up by a second person.</p> <p>This scheme has been simplified so that any employer can make an application, regardless of the number of roles they intend to create.</p> <p>Employers can spread the start date of the job placements up until the end of December 2021.</p>	<p>Apply for a Kickstart Scheme grant: www.gov.uk/guidance/apply-for-a-kickstart-scheme-grant</p>	
<p>Incentive Payments for Hiring a New Apprentice</p>	<p>Employers hiring a new apprentice between 1 August 2020 and 30 September 2021, where the apprentice remains in employment for a full year (to receive the full payment).</p>	<p>The incentive payment provides employers hiring a new apprentice with £2,000 for those aged 16 to 24 and £1,500 for those aged over 25, for employees hired between 1 August 2021 and 31 March 2021.</p> <p>Employers will receive £3,000 for new employees of any age who start their apprenticeship from 1 April 2021 to 30 September 2021.</p> <p>It is paid in two instalments, with the first half coming 90 days after the apprentice starts and the second after a year.</p> <p>The payment is in addition to the £1,000 already paid to employers that hire apprentices.</p>	<p>Employers can apply for the payments through the Apprenticeships Service here: https://accounts.manage-apprenticeships.service.gov.uk/service/.</p>	

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<p>One-off top-up lockdown grants</p>	<p>Businesses in the retail, hospitality and leisure sectors.</p>	<p>A package of one-off grants worth between £4,000 and £9,000 for businesses in the retail, hospitality and leisure sectors, announced in response to the nationwide lockdown in England lasting until at least mid-February 2021.</p> <p>The scheme offers funding based on the rateable value of a closed business's premises:</p> <ul style="list-style-type: none"> • £4,000 for businesses with a rateable value of £15,000 or less; • £6,000 for businesses with a rateable value of between £15,000 and £51,000; and • £9,000 for businesses with a rateable value of over £51,000. <p>This funding comes in addition to the existing Government business support schemes, including grants of up to £3,000 a month for closed businesses.</p> <p>The Chancellor has also announced a further £594 million for local authorities and the devolved administrations to support businesses that are not otherwise eligible for the scheme.</p>	<p>Businesses will be able to access the scheme through the local authority they pay their business rates to for each premises.</p> <p>If they have premises in more than one local authority area, they will need to make separate applications to each local authority they pay business rates to.</p>	

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<p>Recovery Loan Scheme</p>	<p>Businesses can apply for a loan if they are trading in the UK.</p> <p>They will need to show that the business:</p> <ul style="list-style-type: none"> • is viable or would be viable were it not for the pandemic • has been impacted by the coronavirus pandemic • is not in collective insolvency proceedings – further details will be provided in due course <p>Businesses that have received support under the existing COVID-19 guaranteed loan schemes will still be eligible to access finance under this scheme, if they meet all other eligibility criteria.</p>	<p>The Recovery Loan Scheme ensures businesses of any size can continue to access loans and other kinds of finance up to £10 million per business.</p> <p>This can be in the form of:</p> <ul style="list-style-type: none"> • Term loans and overdrafts between £25,001 and £10 million per business. • Invoice finance and asset finance between £1,000 and £10 million per business. <p>Finance terms are up to six years for term loans and asset finance facilities. For overdrafts and invoice finance facilities, terms will be up to three years.</p> <p>No personal guarantees will be taken on facilities up to £250,000, and a borrower's principal private residence cannot be taken as security.</p> <p>The finance can be used for any legitimate business purpose, including growth and investment.</p> <p>The Government guarantees 80 per cent of the finance to the lender to ensure they continue to have the confidence to lend to businesses.</p> <p>The scheme will be available from 6 April and until 31 December 2021, subject to review.</p>	<p>The scheme will launch on 6 April 2021. Further details on how to apply and details of accredited lenders will be released in due course.</p>	