

Briefing Note – support for businesses impacted by the Coronavirus

National support package (as at 27 March 2020)

The Government has announced a package of support for businesses in response to coronavirus, COVID-19. This note summarises the support offered, and sources of further information.

The package of support nationally includes:

- A **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 this crisis. All UK businesses are eligible. HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers. Contact: [HMRC](#)
- **Deferring VAT and Income Tax payments**. The Government will support businesses by deferring Valued Added Tax (VAT) payments for 3 months. If you're self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021. All UK businesses are eligible. For VAT, the deferral will apply from 20 March 2020 until 30 June 2020. This is an automatic offer with no applications required. Businesses will not need to make a VAT payment during this period. 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. VAT refunds and reclaims will be paid by the government as normal. Contact: [HMRC](#)
- **Statutory sick pay relief package for SMEs**. Government is working with employers over the coming months to set up a repayment mechanism "as soon as possible."
- A **12-month business rates holiday for all retail, hospitality and leisure businesses** in England for 2020-21. Businesses will be re-billed by local authorities (District Councils in Norfolk) as soon as possible. The Government will publish guidance to local authorities by 20 March 2020. Contact: [District Council\(s\)](#)
- A **12-month business rates holiday for nurseries in England** has also been announced. Nurseries will be re-billed by local authorities (District Councils in Norfolk) as soon as possible. Contact: [District Council\(s\)](#)
- A **£25,000 grant will also be provided to retail, hospitality and leisure businesses** operating from premises with a rateable value between £15,000 and £51,000. Contact: [District Council\(s\)](#)
- **Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief**. Local authorities (District Councils) will contact eligible businesses directly and funding will be provided to local authorities in early April with additional guidance. Contact: [District Council\(s\)](#)
- The **Coronavirus Business Interruption Loan Scheme** to support long-term viable businesses who may need to respond to cash-flow pressures by seeking additional finance. The first 12 months of finance will be interest free (funded by Government). This will launch next week delivered by the British Business Bank. Contact: [British Business Bank](#) and [partners](#)
- The **HMRC Time To Pay Scheme** to help with tax for businesses and self-employed individuals with support via HMRC's dedicated helpline on 0800 0159 559. Contact: [HMRC](#)

- The Government has announced a new **Self-Employment Income Support Scheme**, under which it will pay self-employed people who have been adversely affected by the Coronavirus a taxable grant of 80% of their average monthly profits over the last three years up to £2,500 a month. *Contact:* businesssupport.gov.uk
- The Government has confirmed with the insurance industry that **government advice is sufficient to enable claims for pandemics and government-ordered closure.**
- Providing **support for liquidity amongst large firms**, with a major new scheme being launched by the Bank of England to help them bridge coronavirus disruption to their cash flows through loans. *Contact:* [Bank of England](https://www.bankofengland.co.uk)
- The Government will be providing further support to other industries directly impacted in due course (including airports and airlines).
- Funding for the Government's **Early Years entitlements** will continue during any periods of nursery, preschool or childminder closures, or where children cannot attend due to coronavirus. The Government will continue to pay funding to local authorities for the free entitlements for two, three and four-year-olds, providing reassurance for early years settings.¹

Full details can be found here: <https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19>

Local support package

Norfolk County Council is taking steps to support and maintain critical services and service providers. The Council has been contacting providers to set out our commitment to ensure financial resilience for providers who will be at the heart of the Norfolk response and enabling continuity of care for people across the county, including:

- **Day service providers will continue to be paid for the next three months**, based on the average of their normal payments over the previous two months.
- **Supported Living providers will be provided with financial support to meet additional costs**, particularly in relation to supporting people who would previously have attended day services. Work will be taking place to identify any ongoing additional cost pressures. Sectors will be looking at overall capacity and opportunities to redeploy staff.
- **Residential and nursing care payment processes will continue**, and we will work with care homes to prevent any financial uncertainty.
- **Home Care providers will continue to be paid for the next three months**, based on the average of their normal payments over the previous two months. This will provide a guarantee of cashflow during the current uncertainty and enable businesses to continue to pay staff. For providers that can undertake additional services that would result in payment above this amount the Council will ensure that this will be paid in addition.
- **Carers of children looked after will continue to be paid** and we will work closely with providers to ensure that our most vulnerable children remain safe.
- **Short breaks providers and providers of other children's social care services will continue to be paid for at least the next three months**, even if the demand for their specific service diminishes in the current situation and we will work with the providers to identify how staff can be flexibly deployed to take account of the most pressing needs at the time.

¹ <https://www.gov.uk/government/news/free-childcare-offers-to-continue-during-coronavirus-closures>
Information correct as at 27/03/2020

- Arrangements are being made with partners to **ensure the most vulnerable families are supported**, including how children eligible for free school meals, will be supported.

These are the steps Norfolk County Council is taking to help local businesses more generally:

- We will continue to **pay promptly those businesses delivering services to the County Council** – we already pay over 98% of our invoices within 30 days
- We will **prioritise payments to those businesses in receipt of grants** from Norfolk County Council.
- We are working closely with the LEP, Chamber and FSB to provide **consistent advice and signposting to businesses** that will be available on all of our online platforms and will make that advice available to district councils
- We are looking at how we create **dedicated staff to support businesses directly if they are struggling with access to Government resources** that have been put in place.
- We will be **sharing resource to maximise capacity to meet the needs of business** across our areas.
- We will **signpost apprenticeship providers and stakeholders to Department for Education guidance** on supporting apprentices and their employers.
- We have provided a [toolkit of useful posters](#), in a number of languages, for businesses to use at their premises, covering, for example, social-distancing and self-isolation.

Sources of further support and information:

- Government: <https://www.gov.uk/government/topical-events/coronavirus-covid-19-uk-government-response>
- Norfolk County Council: <https://www.norfolk.gov.uk/care-support-and-health/health-and-wellbeing/adults-health/coronavirus>
<https://www.norfolk.gov.uk/safety/service-disruptions>
- Norfolk District Councils: <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/your-local-councils-mps-and-meps/local-councils>