



NFRN
Federation of Independent Retailers

Coronavirus and Support for Business

VERSION 1- APRIL 2020

The UK government, along with the devolved governments of Scotland, Wales and Northern Ireland, has announced a range of schemes to assist business through these difficult times.

This briefing provides the key information so far available that you need on each of the schemes. Regular updates are available from: www.NFRNOnline.com/protect/covid-19-information-advice.

Statutory Sick Pay

Key Points

- SSP payable from day 1.
- "Isolation note" required.
- Refund process yet to be put in place.

The government has announced that employees who are self isolating or off sick with coronavirus may claim SSP from day one rather than day four. An "isolation note" to evidence this can be obtained by completing an online form on the NHS website.

Businesses with less than 250 employees will be able to reclaim the SSP but no process is yet in place to do so.

Action Plan

- ✓ Monitor www.NFRNOnline.com for updates on reclaiming SSP.

More Information

NFRN - www.NFRNOnline.com
NHS Isolation note service - www.111.nhs.uk/isolation-note/

Business Rates

Key Points

- 100% rate relief across the UK.
- Only for 3 months in Northern Ireland.
- Capped at £51,000 rateable value in Wales.
- Applied automatically by your local council.

Outside of Northern Ireland small businesses in the retail, leisure and hospitality sectors will be receiving 100% relief on their business rates bill for the year 2020 / 2021. In England and Scotland this relief is not capped, while in Wales it is capped at a rateable value of £51,000.

In Northern Ireland retailers will receive a three month relief from business rates at 100%.

Action Plan

- ✓ Your local authority will be writing to you to confirm your business rates relief which should be applied automatically.

More Information

NFRN - www.NFRNOnline.com
Your local your council website



Business Grants

Key Points

- Grants of £10k or £25k depending on your rateable value.
- Administered by your local authority.
- Local authorities writing to businesses with details of how to claim.

Businesses benefiting from business rates relief can also benefit from grants, based on the rateable value of your property:

	Rateable Value	Available Grant
England	Up to £15k £15k - £51k	£10,000 grant £25,000 grant
Wales	Up to £15k £15k - £51k	£10,000 grant £25,000 grant
Scotland	Up to £18k £18k - £51k	£10,000 grant £25,000 grant
Northern Ireland	Up to £15k £15k - £51k	£10,000 grant £25,000 grant

The grants are administered by local authorities, who are writing to businesses with details of the scheme.

The process for application may vary between councils.

Action Plan

- ✓ In England and Wales, your local authority will write to you to confirm how to apply for a grant.
- ✓ In Scotland the application form can be found on your local council website. Go to www.mygov.scot/non-domestic-rates-coronavirus/, select your local council and click through to their website.
- ✓ In Northern Ireland, go to the following website to apply www.covid-19smallbusinessgrants.economy-ni.gov.uk/

More Information

NFRN - www.NFRNOnline.com
Your local your council website



Coronavirus Job Retention Scheme

Key Points

- Pays 80% of salaries up to £2,500.
- Staff must be furloughed to qualify.
- Effective from March 1 2020 for three months.
- Refund via HMRC.
- Refund process not yet in place.

The government has introduced this scheme to protect workers who are not working and would otherwise not be paid. It is intended to protect workers from being made redundant.

Workers in the situation are described as being “furloughed”.

What is “Furlough”

In UK Employment law terms employee furloughs are when employees are required to take mandatory time off work with no pay. The goal of an employee furlough is to save money for the company or organisation by lowering employee salary expenses. While employee furloughs can be a positive alternative to layoffs for employees, they can have negative consequences, too.

However In this unprecedented situation during March-June 2020, employers across the world are placing employees on furlough due to the need to stop the spread of COVID-19. For example, Marriott International Inc., the world’s largest hotel company with nearly 1.4 million rooms worldwide, said it is starting to furlough what it expects will be tens of thousands of employees as it ramps up hotel closings across the globe.

How Is an Employee Furlough Different From a Layoff?

In mandatory employee furloughs, employees take unpaid or partially paid time off of work for periods of time. The employees generally have either scheduled time off or call-back rights and expectations. In a layoff, employees generally have no right to recall and no expectation of the job returning. In a furlough, employees are usually given a time frame—although this sometimes changes, especially in a product shortage situation. To schedule employees with a contract for a furlough, including union-represented employees, employers must renegotiate the contract. Negotiations about employee furloughs generally include a call-back date.

What Happens to Employee Benefits?

During employee furloughs, benefits usually continue, which is one of the ways in which employee furloughs are distinguished from a layoff, where benefits generally end either on the last day of work or at the end of the month.

Note: Employees must be furloughed to qualify for this scheme.

Making a Claim

The scheme runs from March 1 2020 for three months, but may be extended.

Cap of £2,500 per month.

Claims will be handled by HMRC but the process for making claims is not yet in place.

Action Plan

- ✓ Monitor www.NFRNOnline.com for updates on how to claim when published.
- ✓ If you are considering making staff redundant consider if this may be an option for you.

More Information

NFRN - www.NFRNOnline.com

Coronavirus Business Disruption Loan Scheme (CBILS)

Key Points

- Finance of up to £5m, £250,000 unsecured, available.
- Loans or overdrafts.
- For viable companies.
- Government backed.
- Provided through banks and financial institutions.
- See extensive FAQ produced by the British Business Bank.

The Coronavirus Business Disruption Loan scheme provides loans of up to £5m, £250,000 unsecured, to viable businesses that are suffering cashflow or income issues as a result of the pandemic and are therefore limited in their ability to access finance on commercial terms. Finance is available in a number of forms including loans and overdrafts.

The government cover any fees and the first 12 months interest and guarantees the loan.

The scheme is operated by the British Business Bank through over 40 partner banks and financial institutions, to whom application should be made.

The British Business Bank has produced an extensive FAQ for the scheme, which can be found here: www.british-business-bank.co.uk/wp-content/uploads/2020/03/British-Business-Bank-CBILS-FAQs-for-SMEs-FINAL.pdf

The list of lending banks and financial institutions can be found here: www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders.

Action Plan

- ✓ Carefully review the British Business Bank's FAQ to decide if this finance is suitable for your business.
- ✓ If you are considering making staff redundant consider if this may be an option for you.



VAT Deferment

Key Points

- VAT payments due March 20 are deferred to June 30 2020.

The government has deferred the deadline for payment of VAT by all VAT registered businesses in the UK from March 20 2020 until June 30 2020.

This deferment is automatic and no application is required.

Action Plan

- ✓ Don't forget this payment will now be due by June 30 2020.

NFRN Member Support Scheme

Key Points

- NFRN is working hard to support members through this difficult time.
- A support scheme is being worked on at the moment.
- Details to follow.

The NFRN are working to set up a support scheme for members.

When the scheme is launched, details will appear here.



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Other NFRN Support

The NFRN provides its members with a wide range of support, from a legal helpline and HR advice to support with news wholesale issues and a news ranging service.

For more information go to www.NFRNOnline.com or call NFRN Connect on 0800 121 6376.



Ground Floor Suite, Bede House, Belmont Business
Park, Durham DH1 1TW

Freephone number: 0800 121 6376* (select option 1)

Calling from a mobile: 020 7017 8880

Calling from ROI: 01 453 5822

*Free from UK landline phones only. Charges may apply
when calling from abroad or from a mobile phone.

connect@nfrn.org.uk

