



## **COVID-19: Support for Businesses in Aberavon**

### **Coronavirus Advice - Business Wales**

Any business affected should as a first port of call, contact the **Business Wales telephone helpline on 0300 060 3000**. They can help with practical advice on coronavirus related support, whether provided by the Welsh Government, the UK Government or elsewhere.

If you have any difficulties getting the support and signposting you need, please get back in touch with my office via **David.Rees@Assembly.wales** or on 01639 870779

The Welsh Government will be updating guidance for businesses regularly on the Business Wales website at:

<https://businesswales.gov.wales/coronavirus-advice>

The UK and Devolved Government's Coronavirus Action Plan can be found at:

<https://www.gov.uk/government/publications/coronavirus-action-plan>

UK Government Guidance for Employers:

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19>

Advice for employers and employees from ACAS can be found here:

<https://www.acas.org.uk/coronavirus>

The full list of business expected to close under "lockdown" as of 24 March is available here:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/874732/230320 - Revised guidance note - finalVF.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874732/230320_-_Revised_guidance_note_-_finalVF.pdf)





## **Business and Venue Closures**

### **Caravan Parks, campsites and other tourism sites:**

Closed in Wales on the 23 March.

### **Entertainment and shopping:**

- Food and drink venues
- Pubs/bars/clubs
- Cinemas
- Casinos
- Gyms
- Museums
- Leisure centres
- Betting shops
- Galleries

As of 20th March, 2020 all such businesses are to be closed under the Public Health Act 1984. Welsh Regulations allow those businesses that can, to operate as takeaways.

**Any business that does not close as instructed risks permanently losing their license.**





**SUMMARY TABLE OF SUPPORT ON OFFER**

<b>Business Type</b>	<b>Conditions</b>	<b>Support</b>
<b>Retail/leisure/hospitality</b>	ALL	100% business rates relief
<b>Retail/leisure/hospitality</b>	Rateable value £12,001 - £51,000	Grant: £25,000
<b>ALL</b>	Rateable value <=£12,000 and if receiving SBRR	Grant: £10,000
<b>Pubs</b>	Rateable value £51,000 - £100,000	£5,000 reduction in business rates
<b>SMEs</b>	Under 250 employees	2 weeks Statutory Sick Pay per employee with covid-19
<b>Larger firms</b>		Bank of England Covid-19 Corporate Financing Facility
<b>Firms employing people</b>	Anyone on payroll as at Feb 28, even if they've since been let go	Wage Support  80% of wages up to a max of £2,500
<b>ALL FIRMS and self- employed</b>		HMRC Time to Pay service  Mortgage Holidays  Suspension of VAT payments
<b>Self-employed</b>		Welsh Government scheme tbc Self-Assessment Payments Deferred Access to Universal Credit





## Coronavirus Job Retention Scheme

The UK Government will cover up to 80% of employees' wages for employees that would otherwise be laid off, up to a maximum of £2,500 a month per employee as a grant. This wage support will last for at least 3 months. This can be backdated and apply to employees who were on payroll as of 28 February, even if they have since been let go.

Employers will need to:

- designate affected employees as 'furloughed workers,' and notify your employees of this change – (this remains subject to existing employment law)
- submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (when it's launched)

HMRC will administer the scheme which is currently being put in place.

Employers needing short term cash flow support to meet payroll costs in the meantime, may be eligible for a Coronavirus Business Interruption Loan (see below) which will be available from next week or loans from Development Bank for Wales (see below).

## Tax

UK Government has announced that VAT payments for the next quarter (Apr-Jun) will be deferred, to be paid by the end of the year.

## Grants

The Welsh Government has announced a grants scheme for Welsh businesses hit by coronavirus, this matches support available in England.

A £25,000 grant for businesses in retail, hospitality and leisure sectors, with a rateable value of £12,001 - £51,000.

A £10,000 grant to all businesses eligible for small business rates relief with a rateable value of £12,000 or less.

Payment mechanisms for the grant are being finalised with the aim of it being automatic.





## Business Rates

The Welsh Government has announced that all retail, leisure and hospitality businesses with a rateable value of £51,000 or less will receive 100% business rates relief and pubs with a rateable value of between £51,000 and £100,000 will receive a £5,000 reduction on their bill in 2020-2021.

The Welsh Government is allocating every penny of the funding it will be receiving as a consequence of the schemes the UK Government announced in England, to support Welsh businesses.

The scheme in Wales is as generous as the scheme in England and applies per premises – not per business.

## Development Bank of Wales

The bank has normal equity and loan funding it can make available immediately to otherwise healthy small businesses to help them through the cash flow and other challenges they may face in the next, difficult, few weeks and months. This is part of their general package of support.

Please contact: **0800 587 4140**

The Welsh Government has announced that all businesses supported by Development Bank of Wales will have a three-month capital repayment holiday. Other measures are being considered and we will circulate further information as soon as possible.

## Statutory Sick Pay (SSP)

The UK Government is bringing forward legislation to allow small and medium sized businesses and employers to reclaim statutory sick pay paid for sickness absence due to COVID-19. This will be available to businesses in Wales and the Welsh Government is now working on supporting employers in Wales to make sure they have the right mechanisms in place to access this.

- This refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19
- Employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020
- 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
- Eligible period for the scheme will commence the day after the regulations on the extension of Statutory Sick Pay to those staying at home comes into force





## Childcare

The childcare offer will continue to be paid to local authorities and childcare settings which currently receive payments for children in their care, even where services are disrupted.

## Business Loans

The UK Government announced a temporary coronavirus business interruption loan scheme through the British Business Bank. This will be available to businesses in Wales via high street banks and it will support businesses to access bank lending and overdrafts.

Loans are interest free for 12 months.

Lenders will be provided with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs. Businesses and banks will not be charged for this guarantee, and the Scheme will support loans of up to £1.2 million in value.

The loans will be **available from next week** and there is a list of British Business Bank-accredited lenders here: <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders/>

## HMRC - Time to Pay

A Time to Pay scheme is also available whereby all businesses and self-employed people in financial distress and with outstanding tax liabilities may be eligible to receive support with their tax affairs through HMRC's Time to Pay service.

This is also available to businesses in Wales. These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities.

If you are concerned about being able to pay your tax due to COVID-19, call

HMRC's dedicated helpline on **0800 0159 559**.





## Self-employed and Freelancers

The UK Government has delayed tax reforms known as IR35 for a year, given coronavirus, an important boost for freelancers. This complex piece of counter-tax avoidance law, was intended to be widened to the private sector from April this year, with the aim of targeting those who work as an employee but under their own private company in order to reduce their tax bills.

**The Welsh Government is setting up a fund specifically for self-employed people affected by coronavirus. We will provide the details as soon as we get them.**

The minimum income floor in Universal Credit will be temporarily relaxed for all self-employed people. Ensuring self-employed claimants can have some income support.

The Universal Credit allowance has been increased by £1000 a year.

Self-assessment payments are to be deferred until January 2021.

Self-employed people will be able to access Universal Credit at a rate equivalent to Statutory Sick Pay, and a further £1bn has been released to cover up to 30% of housing rental costs.

The UK Government has also announced a three-month mortgage payment holiday. Further detail on this will follow, but in the first instance talk to your mortgage provider.

The Welsh Government has extended this to Help to Buy mortgages.

## Insurance

The UK Government and insurance industry confirmed on 17 March 2020 that the advice (at that stage) to avoid pubs, theatres, etc is sufficient to make a claim as long as all other terms and conditions are met, where businesses have cover for both pandemics and government-ordered closure.

For insurance policies that cover losses from the effects of “notifiable diseases”, please note that Covid 19 has been classified as a “notifiable disease” in all parts of the UK (in Wales with effect from 6 March 2020: Health Protection (Notification)(Wales) Regulations 2020).

## CONTACT

**Email:** [david.rees@assembly.wales](mailto:david.rees@assembly.wales)  
**Tel:** 01639 870 779 / 0300 200 7128  
**Web:** [www.davidrees.wales](http://www.davidrees.wales)  
**Facebook:** DavidReesAMABeravon  
**Twitter:** @DavidReesMS

**Address:**  
Unit 9 Water St. Business Centre  
Gwyn Terrace  
Aberavon  
SA12 6LG

