

COVID-19

Useful information for not-for-profit's and social enterprise



What is this document?

This is an information pack that has been prepared in response to the outbreak of Covid-19 also known as Coronavirus. The contents of this document may change as government advice in response to the pandemic evolves.

The purpose of this document is to provide not-for-profits and social enterprise with some practical advice in terms of the support that is being provided by government. Colebridge Accountancy take no responsibility for the impact of any decisions made by organisations or individuals within those organisations when made as a result of reading this document.

This document is only intended to provide an understanding of the business support available to organisations based on government announcements at the time that this document was prepared.

What should my organisation be thinking about?

- The impact of Covid-19 on delivery against grants / funded activities,
- Assuring internal/external stakeholders, particularly employees, funders & delivery partners,
- Producing a medium term cash flow forecast to ensure that the organisation can afford to pay its suppliers, employees and HM Revenue and customs,
- Decision making authority, in these exceptional circumstances it may not be practical and/or safe for a board/management team to meet and make decisions,
- Safeguarding vulnerable people including but not limited to service users, clients, employees & volunteers,
- Government support available to the organisation during these difficult times,
- The impact of government intervention (particularly social isolation guidelines) on generating income, for example fundraising events that have had to be cancelled/postponed.

Government support

Item 1 – Small Grant Scheme

What is available?

A grant of £10,000 is available to ALL businesses in receipt of small business rates relief which is designed to contribute towards running costs.

How does my organisation apply?

Your local authority will be in touch soon if your business is eligible. The current date of roll out is expected to be April 2020 with local authorities provided with guidance on how to administer the scheme on 1st April 2020.

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Item 2 – Business Interruption Loan Scheme

What is available?

A 12 month interest free loan for businesses that are classified as an SME, the amount of the loan of which is 80% government backed.

Where can I find more information?

This link which will take you to the website of the British Business Bank will provide further information and signposting:

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/>

Item 3 – Statutory Sick Pay

What is available?

For employees that are off work due to coronavirus related sickness, self-isolating or under household quarantine they are entitled to Statutory Sick Pay of £94.25 per week from Day 1. For those individuals that are self-employed, there is an entitlement to claim universal credit.

From when do these new rules apply?

13th March 2020

How does my organisation reclaim SSP?

The processing for reclaiming SSP has not been finalised, however details are expected to be made clear shortly. A claim can be made for up to two weeks for each employee in receipt of an “isolation note” which can be obtained at <https://111.nhs.uk/covid-19> if your organisation is an SME.

Item 4 – Business Rates

What is available?

- A grant of £25k provided to organisations operating in hospitality, leisure and retail operating from premises with a rateable value of between £15k - £51k
- A 12-month business rates holiday for all organisations operating in hospitality, leisure and retail – This is a temporary relief and rates are still payable after the holiday period.

Where can I find more information?

This link contains a detailed response document from the UK Government:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/873622/Expanded_Retail_Discount_Guidance.pdf

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Item 5 – Wages Support

What is available?

The government have announced that it will cover 80% of the wages costs of furloughed workers up to £2500 per month. The definition of a furloughed worker is an employee that has been put onto temporary leave by an employer due to the outbreak.

Affected employees must be specifically designated and informed that they fall within this category.

How does my business apply?

It is strongly recommended that you obtain professional HR advice before applying for the relief, at this stage the application process has not been published but is expected to be made clear shortly.

Item 6 – Deferring VAT Payments

What is available?

All VAT registered businesses will not be expected to pay their VAT bill until 30th June 2020 – This is not a VAT credit but a deferral to assist businesses with cash flow.

VAT returns should be completed on time as usual.

How does my business apply?

All UK businesses will automatically apply and therefore there is no application process.

Other useful links:

UK Government - Covid-19: Guidance for the charity sector

Guidance to help with running your charity during the Coronavirus (COVID-19) outbreak

<https://www.gov.uk/government/news/coronavirus-covid-19-guidance-for-the-charity-sector>

NCVO – Coronavirus and Charity Funding: The latest developments

<https://blogs.ncvo.org.uk/2020/03/19/coronavirus-charity-funding-latest/>

Charity Tax Group – Coronavirus Information Hub for charity tax and finance professionals

<http://www.charitytaxgroup.org.uk/news-post/2020/coronavirus-information-hub-charity-tax-finance-professionals/>

If you discover any omissions or inaccuracies relating to this document, please contact Steven Breese on 07775 449 415 or stevenb@colebridge.org