

Coronavirus guide - Government financial support for Northern Ireland businesses

Danske Bank is committed to supporting local businesses throughout these exceptionally difficult times. The UK Government recently announced a package of measures to support businesses negatively impacted by coronavirus. Details are continuing to develop, but at the time of writing the key elements applicable to Northern Ireland businesses are summarised below.

For further help or assistance on any business banking matter, please contact your local Relationship Manager or Small Business Adviser.

BOUNCE BACK LOAN SCHEME

This scheme provides loans between £2,000 and £50,000 (up to a maximum of 25% of annual turnover) to help small and medium-sized businesses affected by coronavirus - guaranteed by the Government with no fees, interest or repayments in the first 12 months. This scheme will close on 30 November 2020.

- **ELIGIBILITY:** Customers will need to self-certify on a number of eligibility criteria.
- **HOW TO APPLY:** Please refer to the link in 'Find out more' below.
- **FIND OUT MORE:** If you are an existing Danske Bank customer go to danskebank.co.uk/business/products-and-services/loans-and-credit/bounce-back-loan-scheme

BUSINESS RATES HOLIDAY

Business rates exemption for full financial year of 2020-21 for sectors hit hardest by the coronavirus pandemic. Those sectors are :

- hospitality, tourism and leisure
- retail (excluding certain supermarkets and off-licences)
- childcare

- **HOW TO APPLY:** No application required.
- **FIND OUT MORE:** Go to nibusinessinfo.co.uk/business-support/business-rates-relief-retail-hospitality-tourism-leisure-and-childcare-sectors-ni

CHILDCARE RECOVERY SUPPORT FUND

The fund will help eligible childcare providers to reopen, or remain open, following the lockdown in line with Executive economic recovery planning.

- **ELIGIBILITY:** The scheme will apply to registered day care and school age childcare settings, play groups and childminders that are open for business between 1 July and 31 August 2020.
- **HOW TO APPLY:** All eligible beneficiaries will receive an individualised link to the applicable streams of funding after the scheme opens. An online application system is available to assist all eligible childcare providers with applying to the Childcare Recovery Support Fund..
- **FIND OUT MORE:** nibusinessinfo.co.uk/content/coronavirus-childcare-recovery-support-fund

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)

This scheme provides loans of up to £5 million, with no arrangement fee and no interest due for the first 12 months (this will be paid by the Government). This scheme will close on 30 November 2020.

- **ELIGIBILITY:** You must be a business based in the UK, with a turnover of no more than £45 million per annum, with more than 50% generated from trading activity.
- **HOW TO APPLY:** Please contact your local Danske Bank Relationship Manager or Small Business Adviser.
- **FIND OUT MORE:** Go to danskebank.co.uk/CBILS or british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils-2/

CORONAVIRUS JOB RETENTION SCHEME

From 1 September, the government will pay 70 per cent of wages up to a maximum cap of £2,187.50 for the hours the employee is on furlough. Employers will top up employees' wages to ensure they receive 80 per cent (up to £2,500). The caps are proportional to the hours not worked. This scheme will close on 31 October 2020.

- **ELIGIBILITY:** You can only continue to claim through the scheme if:
 - you have previously furloughed the employee for 3 consecutive weeks between March 1 and 30 June
 - you submitted your claim before 31 July
- **HOW TO APPLY:** Online applications available - see the link below.
- **FIND OUT MORE:** Go to gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme

CORONAVIRUS LARGE BUSINESS INTERRUPTION LOAN SCHEME (CLBILS)

This scheme provides financial support to mid-sized and larger UK businesses that are losing revenue, and seeing their cashflow disrupted, as a result of coronavirus. This scheme will close on 30 November 2020.

- **ELIGIBILITY:** Your business must be based in the UK with an annual turnover of over £45 million. You must have a borrowing proposal which the lender would consider viable, were it not for the current pandemic, and for which the lender believes the provision of finance will enable the business to trade out of any short-term to medium-term difficulty.
- **HOW TO APPLY:** The scheme launched on Monday 20 April 2020. Please contact your local Danske Bank Corporate Manager.
- **FIND OUT MORE:** Go to danskebank.co.uk/business/products-and-services/loans-and-credit/coronavirus-large-business-interruption-loan-scheme or british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/clbils/clbils-for-businesses-and-advisors/

CORONAVIRUS STATUTORY SICK PAY REBATE

This will cover up to two weeks' Statutory Sick Pay per eligible employee who has been off work because of coronavirus.

- **ELIGIBILITY:** All UK Businesses with less than 250 employees as of 28 February 2020.
- **HOW TO APPLY:** Online application available - see the link in 'Find out more' below.
- **FIND OUT MORE:** Go to gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-employees-due-to-coronavirus-covid-19

COVID-19 CORPORATE FINANCING FACILITY (CCFF)

This scheme is designed to support liquidity among larger firms, helping them to bridge coronavirus disruption to their cash flows through the purchase of short term debt in the form of commercial paper.

- **ELIGIBILITY:** Applicants need to make a material contribution to the UK economy and be investment grade rated (or equivalent) as at 1 March 2020.
- **HOW TO APPLY:** The full rules of the scheme and guidance on how to apply is found on the Bank of England website - please refer to the link in 'Find out more' below.
- **FIND OUT MORE:** Go to bankofengland.co.uk/markets/covid-corporate-financing-facility

COVID-19 DIGITAL SELLING CAPABILITY GRANT

This grant can help any small or medium sized Northern Ireland retailer or wholesaler prepare for growth, develop their customer base and find new markets by enhancing their digital offering. Businesses can access a maximum grant of £20,000 to support 50% of eligible costs for projects with a minimum eligible expenditure of £10,000.

- **ELIGIBILITY:** The grant is open to all small or medium-sized retailers or wholesalers looking to grow their business online.
- **HOW TO APPLY:** You can use the online eligibility checker to find out if you can apply - see the link below.
- **FIND OUT MORE:** Go to nibusinessinfo.co.uk/content/covid-19-digital-selling-capability-grant

FUTURE FUND SCHEME

This scheme provides government loans to UK based companies ranging from £125,000 to £5 million, subject to at least equal match funding from private investors.

- **ELIGIBILITY:** Your business is eligible if it is UK-incorporated and has raised at least £250,000 in equity investment from third-party investors in the last 5 years.
- **HOW TO APPLY:** The scheme is now open to applications. Guidance on how to apply is on the British Business Bank website. Please go to the link in 'Find out more' below.
- **FIND OUT MORE:** uk-futurefund.co.uk/s/

INCOME TAX PAYMENTS DEFERRAL

For Income Tax Self-Assessment, payments due on 31 July 2020 may be deferred until 31 January 2021.

- **HOW TO APPLY:** This is an automatic offer with no applications required. No penalties or interest for late payment will be charged if you defer payment until January 2021.
- **FIND OUT MORE:** Go to gov.uk/pay-self-assessment-tax-bill

JOB SUPPORT SCHEME

This scheme will be introduced from 1 November 2020 and will replace the Job Retention Scheme. The government will contribute toward the wages of employees who are working fewer than normal hours due to decreased demand. Employers will continue to pay the wages of staff for the hours they work - but for the hours not worked, the government and the employer will each pay one-third of their equivalent salary. Further guidance will be published in due course.

- **FIND OUT MORE:** Go to gov.uk/government/publications/job-support-scheme

SELF-EMPLOYED INCOME SUPPORT SCHEME (SEISS)

This scheme will support individuals who have lost income due to coronavirus. The scheme allows you to claim a taxable grant worth 80% of your average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total.

- **ELIGIBILITY:** All self-employed individuals or members of a partnership.
- **HOW TO APPLY:** If you're eligible and your business has been adversely affected on or after 14 July 2020, you must make your claim for the second grant on or before 19 October 2020.
- **FIND OUT MORE:** Go to gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme

TIME TO PAY

All businesses and self employed people may be eligible to receive support with their tax affairs through HMRC's Time to Pay service, which allows extended periods of time to pay outstanding amounts.

- **ELIGIBILITY:** Businesses paying tax to the UK Government.
- **HOW TO APPLY:** The arrangements are agreed on a case by case basis. You must contact HMRC Coronavirus Helpline on 0800 024 1222.
- **FIND OUT MORE:** gov.uk/government/organisations/hm-revenue-customs/contact/coronavirus-covid-19-helpline

CLOSED SCHEMES

COVID-19 CHARITIES FUND

The Department for Communities has launched this fund to provide financial support to local charities who have lost income due to the impact of COVID-19. This funding will be distributed as a one-off payment of up to £75,000 and is intended to cover a shortfall of unavoidable costs from 1 April 2020 to 30 September 2020.

- **ELIGIBILITY:** Local charities facing severe financial difficulties are eligible to apply. Eligibility criteria can be found at the link in 'Find out more' below.
- **HOW TO APPLY:** Use the eligibility checking tool at the start of the application to find out if you qualify to apply - see the link below. Applications close on 10 July 2020.
- **FIND OUT MORE:** Go to tnlcommunityfund.org.uk/funding/programmes/covid-19-charities-fund

HARDSHIP FUND

The Department for the Economy has announced a new business Hardship Fund. The funding is available to businesses unable to secure the £10,000, £25,000 and COVID-19 Childcare Support grant schemes.

- **ELIGIBILITY:** All businesses must be based in Northern Ireland. As at 29 February, the business must have employed between one and nine employees paid via PAYE. Since 1 March 2020, the business must have experienced a reduction in turnover in excess of 40% as a direct result of COVID-19 pandemic or associated Government restrictions.
- **HOW TO APPLY:** Please note this scheme closed for registrations on 12 June 2020.
- **FIND OUT MORE:** Go to nibusinessinfo.co.uk/content/coronavirus-ni-micro-business-hardship-fund

HOSPITALITY, TOURISM AND RETAIL SECTORS GRANT SCHEME

The NI Executive is providing an immediate grant of £25,000 for all businesses in these sectors who pay rates on a property with a rateable value between £15,000 and £51,000.

- **ELIGIBILITY:** All businesses in the sectors mentioned above, subject to some exclusions. Please go to the link in 'Find out more' below for details.
- **HOW TO APPLY:** Please note this scheme closed for registrations on 20 May 2020.
- **FIND OUT MORE:** Go to nibusinessinfo.co.uk/content/coronavirus-£25000-hospitality-tourism-and-retail-grant

SMALL BUSINESS GRANT SCHEME

The NI Executive is providing a grant of £10,000 for all small businesses that already pay reduced business rates because of Small Business Rate Relief (SBRR).

- **ELIGIBILITY:** Applied to all business properties with a rateable value below £15,000 (some exclusions apply).
- **HOW TO APPLY:** Please note this scheme closed on 20 May 2020 for registrations.
- **FIND OUT MORE:** Go to nibusinessinfo.co.uk/content/coronavirus-business-support-grant-schemes

VAT PAYMENTS DEFERRAL

VAT payments will be deferred for three months for payments that would otherwise arise during the period from 20 March to 30 June 2020. If you choose to defer your VAT payment as a result of coronavirus, you must pay the VAT due on or before 31 March 2021.

- **ELIGIBILITY:** All VAT-registered businesses.
- **HOW TO APPLY:** You do not need to tell HMRC that you are deferring your VAT payment. If you normally pay by Direct Debit you should contact your bank to cancel your Direct Debit or cancel via your online banking.
- **FIND OUT MORE:** Go to gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19