

## **Coronavirus (COVID-19) Guidance & Support**

**Updated 2 June 2020**

The Government has put together a range of measures to support businesses, employers and the self-employed.

### **Headlines**

#### **Coronavirus Statutory Sick Pay Rebate Scheme:**

**The online service to claim back Statutory Sick Pay is now available, go to:**

<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19>

#### **Coronavirus Job Retention Scheme:**

**Substantial changes will be introduced from 1 July, offering greater flexibility on part-time working, but with a gradual reduction in financial support.**

**Furloughed employees will be able to return to work on a part-time basis and will be entitled to their full contractual pay for any hours worked, plus 80% of their reference pay (pro-rated and capped at £2,500 per month) for any non-working hours.**

**Financial support will gradually be withdrawn from 1 August, so that employers bear an increasing portion of pay for non-working hours.**

**Employees can only be furloughed on or after 1 July if they have previously been furloughed for at least 3 weeks, which means that employees who have not previously been furloughed must be furloughed by 10 June at the latest to be in the new scheme.**

**Further guidance on flexible furloughing and how employers should calculate claims will be published on 12 June.**

#### **Self-Employed Income Support Scheme:**

**Those who are eligible and want to claim the first grant under the scheme must make their claim on or before 13 July 2020.**

**The scheme is being extended, so that eligible individuals will be able to make a claim for a second and final grant in August 2020.**

**The eligibility criteria are the same for both grants. An individual does not need to have claimed the first grant to receive the second grant.**

**The online service for the second and final grant will be available in August.**

**For more information on the recently announced changes to the Coronavirus Job Retention Scheme and the Self-Employed Income Support Scheme go to:**

<https://www.gov.uk/government/news/chancellor-extends-self-employment-support-scheme-and-confirms-furlough-next-steps>

To find out what financial schemes you may be eligible for go to:

<https://www.gov.uk/business-coronavirus-support-finder>

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## **Support for Employers**

1. Coronavirus Statutory Sick Pay Rebate Scheme.
2. Coronavirus Job Retention Scheme.

### **1. Coronavirus Statutory Sick Pay Rebate Scheme.**

**The online service to claim back Statutory Sick Pay is now available, go to:**

<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19>

#### **Payment of Statutory Sick Pay (SSP) to Employees:**

- SSP will be paid from day 1 instead of day 4 for those affected by coronavirus (from 13 March onwards).
- People will be affected if: they have coronavirus, they cannot work because they are self-isolating at home, or they are shielding in line with public health guidance.
- Employees may still be entitled to "contractual" sick pay over & above SSP.
- SSP is £94.25, increasing to £95.85 from 6 April 2020, per week, for up to 28 weeks.

For full details of employees' eligibility for SSP go to:

<https://www.gov.uk/employers-sick-pay/eligibility-and-form-ssp1>

Employees qualify for SSP under the Coronavirus SSP Rebate Scheme if they meet the eligibility criteria for SSP and cannot work if any of the following apply:

- Started self-isolating on or after 13 March 2020 because someone they live with has coronavirus.
- Have been shielding since 16 April 2020.
- Started self-isolating on or after 28 May 2020 because they were notified by the NHS or public health authorities that they've come into contact with someone with coronavirus.

They do not qualify if they have been put on furlough as part of the Coronavirus Job Retention Scheme.

Employers can claim back from both the Coronavirus Job Retention Scheme and the Coronavirus Statutory Sick Pay Rebate Scheme for the same employee, but not for the same period of time.

### **Help for Employers:**

Eligible employers will be able to reclaim SSP paid for sickness absence due to coronavirus.

#### ***Employers are eligible if:***

- They are claiming for an employee who's eligible for sick pay due to coronavirus - see detailed guidance at: <https://www.gov.uk/statutory-sick-pay/eligibility>
- They have a PAYE payroll scheme that was created and started on or before 28 February 2020.
- They had fewer than 250 employees on 28 February 2020 across all their PAYE payroll schemes.
- Connected companies and charities can use the scheme if their total combined number of PAYE employees are fewer than 250 on or before 28 February 2020.

#### ***What does the rebate cover?***

- The rebate will cover up to 2 weeks' SSP per eligible employee who has been off work due to coronavirus.

#### ***Employers must keep the following records for at least 3 years following a claim:***

- The reason why an employee could not work.
- Details of each period the employee could not work, including start and end dates.
- Details of the SSP qualifying days when an employee could not work.
- National insurance numbers of all employees to whom SSP has been paid.

## **2. Coronavirus Job Retention Scheme (CJRS).**

**The online service for claiming under the CJRS was launched on 20 April.**

**From 1 July, employers can bring back to work employees that have previously been furloughed for any amount of time and any shift pattern, while still being able to claim the CJRS grant for their normal hours not worked. When claiming for the CJRS grant for furloughed hours employers will need to report and claim for a minimum period of a week.**

**Employers will need to report hours worked and the usual hours an employee would be expected to work in a claim period. For worked hours, employees will be paid by their employer subject to their employment contract and employers will be responsible for paying the tax and NICs due on those amounts.**

**The scheme will close to new entrants from 30 June. From this point onwards, employers will only be able to furlough employees that they have furloughed for a full 3-week period prior to 30 June.**

**This means that the final date by which an employer can furlough an employee for the first time will be 10 June, in order for the current 3-week**

**furlough period to be completed by 30 June. Employers will have until 31 July to make any claims in respect of the period to 30 June.**

**Further guidance on flexible furloughing and how employers should calculate claims will be published on 12 June.**

### ***How much can be claimed?***

Under the existing scheme HMRC will reimburse 80% of furloughed employees wages up to £2,500 a month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. The maximum level of grant for Employer pension contributions on the furlough pay is 3% on qualifying earnings and this must be paid over to the pension scheme.

For full & part-time salaried employees, the employee's actual salary before tax, as of 19 March 2020 (previously 28 February) should be used to calculate the 80%. Fees, commission & bonuses should not be included. For employees whose wage varies the 80% can be determined either by reference to average monthly earnings for the 19/20 tax year or to the same month's earnings from the previous year.

The scheme will cover the cost of wages backdated to 1 March.

### **From August 2020, the level of grant will slowly be tapered:**

**In June and July, the government will pay 80% of wages up to a cap of £2,500 as well as Employer National Insurance Contributions and pension contributions for the hours the employee does not work. Employers will have to pay employees for the hours they work.**

**In August, the government will pay 80% of wages up to a cap of £2,500 and employers will pay Employer NICs and pension contributions for the hours the employee does not work.**

**In September, the government will pay 70% of wages up to a cap of £2,187.50 for the hours the employee does not work. Employers will pay Employer NICs and pension contributions and 10% of wages to make up 80% total up to a cap of £2,500.**

**In October, the government will pay 60% of wages up to a cap of £1,875 for the hours the employee does not work. Employers will pay Employer NICs and pension contributions and 20% of wages to make up 80% total up to a cap of £2,500.**

### ***Who can claim?***

The scheme is designed to help employers whose operations have been severely affected by coronavirus to retain their employees & protect the UK economy. However, all employers are eligible to claim under the scheme & the government has said they recognise that different businesses will face different impacts from coronavirus.

Any entity with a UK payroll can apply, including businesses, charities, recruitment agencies & public authorities.

Individuals can furlough employees such as nannies, provided they pay them through PAYE & sent an RTI submission notifying a payment in respect of the employee on or before 19 March 2020.

***In order to claim an employer must have:***

- Created & started a PAYE payroll scheme on or before 19 March 2020.
- Enrolled for PAYE online.
- A UK bank account.

***Employees for whom a claim can be made:***

- Employees on any type of employment contract.
- Foreign nationals.
- Employees on all categories of visa.
- Employees for whom a claim is made must have been employed on 19 March & on PAYE payroll on or before 19 March.
- If employees were on PAYE payroll as at 28 February & they stopped working for the employer on or after that date, including due to redundancy, they can be re-employed, placed on furlough & a claim made under the scheme. That will apply even if they are not re-employed until after 19 March.
- If employees were on PAYE payroll as at 19 March & they stopped working for the employer on or after that date, including due to redundancy, they can be re-employed, placed on furlough & a claim made under the scheme.
- Employees on fixed-term contracts can be re-employed, furloughed & claimed for, provided that either their contract expired after 28 February & an RTI payment submission for them was notified to HMRC on or before 28 February, or their contract expired after 19 March & an RTI payment submission for them was notified to HMRC on or before 19 March.

***Some other things to consider:***

- Any employees that started & ended the same contract between 28 February & 19 March will not qualify for the scheme.
- To be eligible for the grant furloughed employees cannot undertake work for, or on behalf of, their employer or any linked or associated organisation. This includes working reduced hours for reduced pay. Furloughed employees can take part in volunteer work and training, but neither activity should provide services to or generate revenue for their employer. Furloughed employees should be paid at least National Minimum Wage whilst undertaking training.
- There is a 3-week minimum furlough period. The weeks must be consecutive. Employees can be furloughed multiple times.
- A claim can be made under both the CJRS & the SSP Rebate Scheme for the same employee, but not for the same period of time.
- If an employee has more than one job they can be furloughed for each job or continue to work for one whilst being furloughed by the other.
- Apprentices can be furloughed & can continue to train whilst on furlough, however, they must be paid at least the Apprenticeship Minimum Wage / National Living Wage / National Minimum Wage as appropriate for all the time they spend training.
- Office holders, including company directors & members of Limited Liability Partnerships (LLPs) can be furloughed & the grant claimed – the decision of the company or LLP should be formally documented. Furloughed directors can fulfil their statutory duties whilst furloughed but cannot do anything to generate revenue for the company.
- Company directors paid annually are eligible, however, HMRC must have been notified of a payment of earnings for the 19/20 tax year on an RTI submission on or before 19 March.
- Salaried members of LLPs are eligible.
- Agency workers paid through PAYE are eligible.
- The normal rules apply for employees on maternity leave, adoption leave, paternity leave, shared parental leave or parental bereavement leave. If an

employer offers enhanced (earnings related) contractual pay to employees on Maternity Leave, then that is included in the wage costs that can be claimed through the scheme.

- While on furlough, the employee's wage will be subject to the usual income tax & other deductions. They also will still have the same employment rights at work e.g. Sick pay, maternity/parental rights, redundancy payments.
- Relevant employees should be identified as "furloughed", the employee told and HMRC informed.
- Employer should discuss with their staff & make any changes to the employment contract by agreement & equality & discrimination laws will apply in the usual way.
- Employers should write to their employees confirming that they have been furloughed & keep a record of this communication for 5 years.

How to make a claim:

Go to: [www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme#how-to-claim](https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme#how-to-claim)

## **Support for Businesses that pay Business Rates**

This includes:

- 1 Rates relief for the retail, hospitality & leisure sector in England.
- 2 Relief for Nursery businesses that pay business rates.
- 3 The Retail, Hospitality & Leisure Grant Fund.
- 4 The Small Business Grant Fund.

### **1. Rates Relief for the retail, hospitality & leisure businesses in England:**

- A business rates holiday (100% relief) will apply for eligible businesses for 2020/2021.
- There is no rateable value limit on the relief.
- The relief applies to the leisure & hospitality sectors.
- Applies to occupied properties (including those that have been forced to close due to social distancing) that are wholly or mainly being used as shops, restaurants, cafes, drinking establishments (so includes pubs), cinemas & live music venues, for assembly & leisure, for hospitality, as hotels, guest & boarding premises or self-catering accommodation.
- Businesses do not need to take any action regarding the rates holiday, but local authorities may have to reissue bills. They will do this as soon as possible.
- Any enquiries on eligibility for, or provision of, the reliefs should be directed to the relevant local authority. Guidance for local authorities has been published.

### **2. Relief for Nursery Businesses that pay business rates:**

- There will be a business rates holiday for nurseries in England for the 2020/2021 tax year
- This will apply to buildings that are occupied by providers on Ofsted's Early Years Register or mainly used for the provision of the Early Years Foundation Stage

- This relief will be applied automatically, and you will receive a new council tax bill where appropriate.

### **3. The Retail, Hospitality & Leisure Grant Fund (RHLG):**

- Eligible businesses in these sectors with a property that has a rateable value of up to & including £15,000 will receive a grant of £10,000.
- Eligible businesses in these sectors with a property that has a rateable value of over £15,000 & less than £51,000 will receive a grant of £25,000.
- Businesses with a rateable value of £51,000 or over are not eligible for this scheme.
- Eligible businesses are those with properties which on 11 March 2020 had a rateable value of less than £51,000 & would have been eligible for a discount under the business rates Expanded Retail Discount Scheme had that scheme been in force.

### **4. The Small Business Grant Fund:**

- All eligible businesses in England in receipt of Small Business Rates Relief (SBRR) or Rural Rates Relief (RRR) in the business rates system will receive a grant of £10,000.
- Eligible businesses are those with a property that on 11 March 2020 was eligible for SBRR or RRR, including those receiving a discount on a sliding scale.
- Eligible businesses do not need to apply – they will be contacted by their local authority.

Any enquiries regarding reliefs & grants should be directed to the relevant local authority.

Grant income under the Small business Grants & the Retail, Hospitality & Leisure Grants will be subject to tax.

For more information go to:

[www.gov.uk/government/publications/coronavirus-covid-19-business-support-grant-funding-guidance-for-businesses](http://www.gov.uk/government/publications/coronavirus-covid-19-business-support-grant-funding-guidance-for-businesses)

## **Support for the Self-Employed**

This includes:

- 1 The Self-Employed Income Support Scheme.

### **1 The Self-Employed Income Support Scheme:**

**The scheme currently allows eligible self-employed individuals to claim a taxable grant worth 80% of their average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total.**

**THOSE WHO ARE ELIGIBLE AND WANT TO CLAIM THE FIRST GRANT MUST MAKE THEIR CLAIM ON OR BEFORE 13 JULY 2020.**

**The scheme is being extended. Eligible individuals will be able to make a claim for a second and final grant in August 2020.**

**The online service for the second and final grant is not available yet.**

**The second grant will be a taxable grant worth 70% of average monthly trading profits, paid out in a single instalment covering a further 3 months' worth of profits, and capped at £6,570 in total.**

**For more information go to:**

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme#extension>

**The online service to claim the first grant can be accessed at:**

[www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme](http://www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme)

**You must make the claim yourself. Your tax agent or adviser must not claim on your behalf as this will trigger a fraud alert, & you will have to contact HMRC. This will cause a significant delay to you receiving your payment.**

Those who receive the grant can continue to work, start a new trade or take on other employment including voluntary work.

The grant does not need to be repaid but will be subject to Income Tax & Self-Employed National Insurance.

#### ***Who can claim?***

- To be eligible you will be self-employed as an individual or member of a partnership &:
  - have submitted your Income Tax Self-Assessment tax return for 18/19.
  - have traded in the tax year 19/20.
  - be trading when you apply or would be except for coronavirus.
  - intend to continue to trade in 20/21.
  - your trade has been adversely affected by coronavirus.

#### ***Examples of adversely affected:***

- You are unable to work because you are shielding, self-isolating, on sick leave because of coronavirus or have caring responsibilities because of coronavirus.
- You have had to scale down or temporarily stop trading because your supply chain has been interrupted, you have fewer or no customers or clients, or your staff are unable to come to work.

#### ***The way HMRC works out eligibility:***

- Firstly, HMRC will look at your 18/19 Self-Assessment tax return – trading profits must be no more than £50,000 & at least equal to your non-trading income,
- If you're not eligible based on the 18/19 return, HMRC will look at the tax years 16/17, 17/18 & 18/19.

Full guidance on the way HMRC assesses eligibility can be found at:



[www.gov.uk/guidance/how-hmrc-works-out-total-income-and-trading-profits-for-the-self-employment-income-support-scheme](https://www.gov.uk/guidance/how-hmrc-works-out-total-income-and-trading-profits-for-the-self-employment-income-support-scheme)

Check if you're eligible to claim by going to:

[www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme](https://www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme)

& clicking on the Check now link – you will need your Self-Assessment Unique Taxpayer Reference (UTR) number & your National Insurance Number.

If you're eligible to claim HMRC will tell you the date you'll be able to claim from & ask you to add your contact details.

To make a claim you will need your:

- Government Gateway user ID & password.
- UK bank details including the bank account number, sort code, name on the account & address linked to the account.

If HMRC tells you that you're not eligible you can ask HMRC to review your eligibility.

### ***How much is the grant?***

The first grant will be 80% of average monthly trading profits based on the tax years 16/17, 17/18 & 18/19, capped at £7,500.

The second grant will be 70% of average monthly trading profits, capped at £6,570.

## **Payment of Tax**

This includes:

- 1 Time to pay
- 2 Deferral of VAT payments
- 3 Deferral of income tax payments

### **1 Time to pay:**

- All businesses & self-employed people in financial distress, & with outstanding tax liabilities, may be eligible to receive support through HMRC's Time to Pay service.
- This allows businesses & individuals to pay off their debt by instalments over a period of time & the first payment can be delayed for up to 3 months.
- Arrangements will be agreed on a case-by-case basis.

HMRC can be contacted via webchat. Go to:

[www.gov.uk/government/organisations/hm-revenue-customs/contact/coronavirus-covid-19-helpline](https://www.gov.uk/government/organisations/hm-revenue-customs/contact/coronavirus-covid-19-helpline)

Or phone the coronavirus (COVID-19) helpline on: 0800 024 1222

- Taxpayers who have received a payment demand, like a tax bill or a letter threatening legal action should call the HMRC office that sent them the letter.
- Those who have not received a bill, or a letter can call the Payment Support Service on: 0300 200 3835
- Individuals who cannot pay their Self-Assessment tax bill & who owe less than £10,000 might be able to arrange to pay in instalments online.

Go to: [www.gov.uk/difficulties-paying-hmrc](http://www.gov.uk/difficulties-paying-hmrc) & click on the link arrange to pay in instalments on line & sign in using the Government Gateway.

- Alternatively contact the Self-Assessment Payment Helpline on: 0300 200 3822

## **2 Deferral of VAT Payments:**

- UK VAT registered businesses that have a VAT payment due between 20 March 2020 & 30 June 2020 have the option to defer the payment until a later date.
- HMRC will not charge interest or penalties on any amount deferred in accordance with this measure.
- VAT returns must still be submitted to HMRC on time.
- Any deferred VAT must be paid by 31 March 2021.
- Businesses do not need to tell HMRC that they are deferring the VAT payment – the deferral will be automatically applied.
- Businesses that normally pay VAT by direct debit should cancel the direct debit as soon as they can.
- Any repayments of VAT will be paid as normal.
- VAT payments due following the end of the deferral period will have to be paid as normal.
- Further information about how to pay any VAT deferred will be available soon.

## **3 Deferral of Income Tax Payments:**

- Income tax self-assessment payments due on 31 July 2020 may be deferred until 31 January 2021.
- You are eligible if you are due to pay your second self-assessment payment on account on 31 July 2020.
- You do not need to be self-employed to be eligible for the deferment.
- This is an automatic offer with no applications required.
- No penalties or interest for late payment will be charged if payment is deferred until January 2021.

## **Other Support for Businesses**

- 1 Coronavirus Business Interruption Loan Scheme (CBILS)
- 2 Coronavirus Future Fund
- 3 Coronavirus Bounce Back Loan (BBL)
- 4 Coronavirus Large Business Interruption Loan Scheme (CLBILS)
- 5 COVID-19 Corporate Financing Facility (CCFF)

## **1 Coronavirus Business Interruption Loan Scheme (CBILS):**

The scheme helps small & medium-sized businesses to access loans & other kinds of finance up to £5 million.

The government guarantees 80% of the finance to the lender & pays interest & any fees for the first 12 months.

### ***Businesses that are eligible:***

- Are based in the UK.
- Have an annual turnover of up to £45 million.
- Can demonstrate they would be viable if not for coronavirus.
- Can demonstrate they have been adversely affected by coronavirus.
- Can confirm they were not classed as a business in difficulty on 31 December 2019 if they want to borrow £30,000 or more.
- The scheme is not open to banks, insurers & reinsurers, public-sector bodies or state-funded primary & secondary schools.

### ***Length of the loan:***

- Up to 3 years for overdrafts & invoice finance facilities.
- Up to 6 years for loans & asset finance facilities.

### ***How to apply:***

- Over 50 lenders are participating including all the main retail banks. Approaches should be made directly to the lender via their website.
- Businesses will need to say how much they'd like to borrow, what the money is for & how long they'd like to pay it back.
- Businesses will need to provide documents showing that they can repay the loan, such as business plans & cash flow forecasts.
- The lender will assess whether the loan is suitable, affordable & the right type of finance.
- Businesses that are turned down by one lender can approach others or use a broker.

To find a lender go to:

[www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme](https://www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme)

## **2 Coronavirus Future Fund**

**The scheme is not available yet. It will launch in May 2020.  
Further information will be published shortly.**

The Future Fund will provide government loans to UK based companies ranging from £125,000 to £5 million, subject to at least equal match funding from private sectors.

Eligible businesses will be based in the UK, able to attract the equivalent match funding from third-party private investors & institutions & will have previously raised at least £250,000 in equity investment from third-party investors in the last 5 years.

### **3 Coronavirus Bounce Back Loan (BBLs)**

The scheme helps small & medium-sized businesses to borrow between £2,000 & up to 25% of their turnover. The maximum loan available is £50,000.

The government guarantees 100% of the loan & there will be no fees or interest to pay for the first 12 months. After 12 months the interest rate will be 2.5% a year.

#### ***Businesses that are eligible:***

- 4 Are based in the UK.
- 5 Were established before 1 March 2020.
- 6 Have been adversely impacted by the coronavirus.
- 7 Can confirm that they're complying with additional state aid restrictions if they were classed as a business in difficulty on 31 December 2019.
- 8 The scheme is not open to banks, insurers & reinsurers, public-sector bodies or state-funded primary & secondary schools.

Businesses cannot apply if they're already claiming under the CBILS, CLBILS or COVID-19 Corporate Financing Facility.

If businesses have already received a loan of up to £50,000 under one of these schemes, they can transfer it to the BBLs. Businesses have until 4 November 2020 to arrange this with their lender.

#### ***Length of the loan:***

- 9 The length of the loan is 6 years, but it can be repaid early without a fee.
- 10 No repayments will be due during the first 12 months.

#### ***How to apply:***

- 11 There are 11 lenders participating in the scheme including many of the retail banks.
- 12 A suitable lender should be approached directly.
- 13 An online application form will need to be completed, along with a self-declaration of eligibility.
- 14 Businesses that are turned down by one lender can approach others or use a broker.

To find a lender go to:

[www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan](https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan)

### **4 Coronavirus Large Business Interruption Loan Scheme (CLBILS)**

The Coronavirus Large Business Interruption Loan Scheme supports large businesses with an annual turnover of over £45 million.

All viable businesses with turnover of more than £45 million per year can apply for up to £25 million of finance. Firms with turnover of more than £250 million can apply for up to £50 million.

The government will provide lenders with an 80% guarantee on individual loans.

For more information go to:

[www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme](http://www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme)

## **5 COVID-19 Corporate Financing Facility (CCFF)**

Under the COVID-19 Corporate Financing Facility the Bank of England will buy short-term debt from large companies.

The scheme is delivered through commercial lenders, backed by the Bank of England.

## **Other Matters**

- Proposed changes to insolvency laws.
- Filing deadline for company accounts.
- Protection from eviction for commercial tenants.
- The Corporate Insolvency & Governance Bill.
- COVID-19 Risk Assessments.

### **Proposed changes to insolvency laws:**

This includes measures such as proposed changes to insolvency laws which will temporarily (& retrospectively) suspend the wrongful trading provisions from 1 March 2020 so that directors can keep their businesses going without threat of personal liability. The wrongful trading provisions basically provide that if the directors of a company continue to trade in circumstances where they knew or ought to have known that there is no reasonable prospect that the company could avoid going into administration or insolvent liquidation, they may be personally liable for wrongful trading.

### **Filing deadline for company accounts:**

Companies House have an online facility by which requests for filing deadlines to be extended can be made:

<https://beta.companieshouse.gov.uk/extensions>

Companies House has also temporarily suspended the process under which companies are dissolved for serial failures to meet deadlines

### **Protection from eviction for commercial tenants:**

- No business will automatically forfeit its lease & be forced out of its premises if a rent payment is missed up to 30 June 2020.
- The tenants will still be liable for the rent.

### **The Corporate Insolvency & Governance Bill**

The bill is due to begin its emergency passage through parliament in the coming days &, among other measures it is set to include:

- Provisions to prevent suppliers to a stricken company terminating their agreements unless it causes hardship to their own business.
- A so-called 'cram down' requirement on dissenting creditors that forces them to accept a restructuring plan.
- Measures to remove the threat of winding-up petitions against companies with unpaid debts as a result of the pandemic.
- Measures to provide that statutory demands issued against companies will be temporarily voided once the legislation is enacted.
- Provisions to allow companies to hold shareholder meetings outside the remit of their own constitutions, meaning that directors will not be exposed to liability for measures that need shareholder endorsement, and shareholders rights are preserved. That change will be applied retrospectively to meetings held since March 26, reflecting the number of AGMs whose format has had to be amended because of coronavirus.
- Changes to the legal requirement for companies to make various filings at Companies House by fixed deadlines each year - with a failure to do so triggering a fixed financial penalty.

### **COVID-19 Risk Assessments**

The Department for Business, Energy and Industrial Strategy has issued new guidance to help employers safely reopen workplaces in England.

As part of this employers will need to conduct COVID-19 risk assessments, in consultation with workers or trade unions, to establish what guidelines to put in place.

The Government expects organisations that employ more than 50 members of staff to publish the results of the risk assessments on their website.

That expectation does not apply to the smaller employers, although they are also being advised to publish the results online.