CORONAVIRUS COVID-19
SUPPORT FOR BUSINESSES RELEVANT TO FARMERS
15th JANUARY 2021

This briefing provides information about the Government support available to businesses during the Coronavirus outbreak. For more details, click Coronavirus Business Support and with any questions, please contact the Farmer Network on 01768 868615, or E mail: Veronica@thefarmernetwork.co.uk.

1. GRANTS

a) SELF EMPLOYMENT INCOME SUPPORT SCHEME

If you are self-employed, or a member of a partnership, you may be able to claim a taxable grant based on your average monthly trading profits. The third round of the Scheme is now open covering the period from 1st November to 29th January 2021 with a grant of 80% of average profits capped at £7,500. To be eligible, your business must have experienced a significant reduction in profits due to coronavirus between these dates. The claim deadline is 29th January and there is likely to be a further round covering the period from February to April 2021.

b) LOCAL AUTHORITY GRANTS

The new national lockdown has put additional pressure on farmers with tourism accommodation or who sell to the hospitality sector. The Chancellor has announced a grant worth up to £9,000 for businesses in the retail, hospitality and leisure sectors. This is aimed at those paying business rates but there is also a discretionary fund to support other impacted businesses. Read the announcement here and contact your Local Authority for details. Note these schemes tend to have very short application windows.

2. LOANS

a) "BOUNCE BACK" LOAN SCHEME

Bounce Back Loans are 100% backed by the tax payer with the government paying the interest for the first 12 months and with no capital or interest repayments due for one year. The loans are from £2,000 up to a maximum of 25% of turnover, or £50,000. The interest rate is fixed at 2.5% with the capital to be repaid over 6 years with no early repayment charge. If you have already applied for a Bounce Back loan you can top up your existing loan to the maximum allowed if you applied for less than this first time. **The deadline has been extended until 31st March 2021.**

b) CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME

The CBIL Scheme helps SME businesses access finance of up to £200 million and is 80% underwritten by the Government. **The deadline has been extended until 31st March 2021**.

c) CORONOVIRUS FUTURE FUND SCHEME

The Government's Future Fund Scheme offers convertible loans of between £125,000 and £5 million to companies which can obtain match funding from the private sector. **The deadline is 31st January 2021.**

3. SUPPORT FOR BUSINESSES WITH EMPLOYEES

a) CORONAVIRUS JOB RETENTION (FURLOUGH) SCHEME

The Furlough Scheme has now been extended until 30th April 2021. Employees receive 80% of their current salary for hours not worked with employers only contributing to the costs of National Insurance and pension contributions. Claims for furlough days in December 2020 must be made by 14 January 2021.

Employers were going to be able to claim a Job Retention Bonus of £1,000 for every furloughed employee who remained continuously employed until the end of January 2021, but this has been put on hold because of the extension to the furlough scheme.

b) KICKSTART SCHEME

The Government's £2 billion Kick Start Scheme provides fully-funded six-month placements for 16-24 year olds claiming Universal Credit and at risk of long term unemployment. Employers receive funding for 100% of the relevant National Minimum Wage for 25 hours a week, plus associated employer NI and pension costs. Employers can only apply if they have a minimum of 30 job placements available which rules out possibly every individual farm business! However, businesses might be able to join together to reach the target of 30 job placements and if you are interested please give us a call on 01768 868615.

c) STATUTORY SICK PAY REBATE FOR SMEs

The Coronavirus Statutory Sick Pay Rebate scheme provides a refund to cover up to 2 weeks' Statutory Sick Pay per eligible employee who has been off work because of coronavirus.

4. TAX CHANGES

The UK government has cut VAT from 20% to 5% on any eat-in or hot takeaway food and drinks from restaurants, cafes and pubs, excluding alcohol. This VAT reduction also applies to all holiday accommodation in hotels, B&Bs, campsites and caravan sites, as well as attractions like cinemas, theme parks and zoos. The VAT cut has been extended from January to March 2021.

Self-assessment income tax payments can be deferred to January 2022 and you can set up a direct debit to pay tax owed in monthly instalments, up to a 12-month period. Click on Deferring self assessment payments

5. HELP FROM THE FARMER NETWORK

If you need help during the Covid-19 crisis, please call the Farmer Network to get information about business support schemes, sourcing supplies, preparing contingency plans and finding emergency labour for your business in case of illness or if workers have to isolate.

The Farmer Network has created a register of potential emergency farm workers and want to hear from farmers who might need this support - this may be skilled staff able to work full time on a paid basis, or unskilled volunteers willing to help with basic tasks under supervision, or with collecting or delivering supplies. We can also help with preparing contingency plans.

Our grants adviser, Veronica Waller, is available for one to one advice about the support schemes and how relevant they might be to your business. Call 01768 868615 for help.

We send out an E News update every Friday afternoon to Farmer Network members and please call us on 01768 868615 if you are not receiving E News (also check your "junk" folder).

We post information and updates on our social media pages:
Facebook "@thecumbriafarmernetwork" or "@theyorkshirefarmernetwork"

Please visit our Facebook pages to join our Coronavirus Group.

The Farmer Network Ltd is being supported by the Cumbria COVID-19 Response Fund administered by Cumbria Community Foundation and by the Prince's Countryside Fund.

Cumbria COVID-19 Response Fund
CUMBRIA COMMUNITY FOUNDATION

THE PRINCE'S COUNTRYSIDE FUND