

19 March 2020

Dear Mole Valley Business

### **Business Support for COVID-19**

The Chancellor has set out a package of support measures for businesses through this period of disruption caused by COVID-19. The information we have received so far is as follows, but please keep an eye on the GOV.UK and the Mole Valley District Council websites for updates.

#### **Business Rates relief**

A full Business Rates discount applies to the 2020/21 tax year for all retail, hospitality and leisure businesses. If your business falls into one of these categories please do not make a payment. In addition, there is a £5,000 discount for pubs with a rateable value under £100,000. Effected businesses will be rebilled by Mole Valley District Council as soon as possible.

#### **Relaxation of planning rules**

Planning rules will be relaxed so pubs and restaurants can operate as hot food takeaways. The Government will set out measures to enable businesses to deliver this service without a planning application for a period of up to 12 months. Businesses will be required to tell the local planning authority when the new use begins and ends.

#### **Grants for small businesses**

The Government will provide funding for local authorities for a one-off grant of £10,000 for businesses currently eligible for Small Business Rates Relief or Rural Rate Relief, to help meet their ongoing business costs. A further grant of up to £25,000 will be available for retail, hospitality and leisure businesses operating from small premises with a rateable value of between £15,000 and £51,000. Eligible businesses for these grants will be contacted by Mole Valley District Council shortly.

#### **Business Interruption Loan Scheme**

This Scheme is being introduced to support long-term viable businesses who may need to respond to cash-flow pressures by seeking additional finance. The Government will provide lenders with a guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance to SMEs. The Government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5 million in value. The first six months of the finance will be interest-free.

The Scheme will be delivered by the British Business Bank through participating providers (due to launch the week commencing 23 March) to support businesses to access bank lending and overdrafts. The Scheme provides the lender with a government-backed guarantee against the outstanding facility balance, potentially enabling a 'no' credit decision from a lender to become a 'yes'.

### **Support for larger firms**

To support larger firms, the Bank of England has announced a new lending facility (the COVID-19 Corporate Financing Facility) to provide a quick and cost effective way to raise working capital via the purchase of short-term debt. This will support companies which are fundamentally strong, but have been affected by a short-term funding squeeze, enabling them to continue financing their short-term liabilities. It will also support corporate finance markets overall and ease the supply of credit to all firms. Further details, including on how to access this funding will follow in the coming days, and the scheme will be available from the week commencing 23 March.

### **Time to Pay Scheme**

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 HM Revenue and Customs' Time to Pay service. These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities. The HMRC dedicated helpline is 0800 0159 559.

### **Statutory Sick Pay relief**

Small and medium-sized businesses and employers will be able to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19. The Government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible. Anyone not eligible to receive sick pay, including those earning less than an average of £118 per week, some of those working in the gig economy, or self-employed people, is able to claim Universal Credit and or contributory Employment and Support Allowance. The Universal Credit helpline is 0800 328 5644. Statutory Sick Pay will be paid from day one instead of day four for those affected by COVID-19.

### **Insurance**

Insurance policies differ significantly, so businesses should check the terms and conditions of their specific policy and contact their insurance adviser or broker. Most businesses are unlikely to be covered, as standard business interruption insurance policies mostly exclude pandemics. Please see guidance from the Association of British Insurers for further information:  
[www.abi.org.uk/products-and-issues/topics-and-issues/coronavirus-qa/#a](http://www.abi.org.uk/products-and-issues/topics-and-issues/coronavirus-qa/#a)

### **FURTHER INFORMATION**

- [www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-COVID-19](http://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-COVID-19)
- [www.molevalley.gov.uk](http://www.molevalley.gov.uk)

Please email [economicdevelopment@molevalley.gov.uk](mailto:economicdevelopment@molevalley.gov.uk) if you have any queries.

Yours faithfully

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