



COVID-19 SUPPORT FOR BUSINESSES RELEVANT TO FARMERS 5th FEBRUARY 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

In early January, the Chancellor announced a grant worth up to £9,000 for businesses in the retail, hospitality and leisure sectors impacted by the most recent lockdown. This is aimed at those paying business rates, but there is also an **Additional Restrictions Grant** to support other impacted businesses and those not paying business rates. Many Local Authorities have now opened for applications and there is only a short application period so contact your Local Authority asap.

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.**

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.

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. The scheme no longer requires businesses to offer a minimum of 30 job placements making it more appropriate for farmers.

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.

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.

