

Coronavirus – support for businesses

Q What support is available for businesses to deal with coronavirus?

The Welsh Government announced a £1.4bn business support package on March 18 to help companies across Wales.

- The new package provides retail, leisure and hospitality business premises (except the very biggest) in Wales with a year-long business rates holiday in 2020-21;
- A grant of £25,000 for retail, leisure and hospitality businesses with a rateable value of between £12,001 and £51,000;
- A £10,000 grant to all businesses eligible for small business rates relief with a rateable value of £12,000 or less.

Q Does this match the support available in England?

The vast majority of businesses in Wales will get the same support. In Wales, we are focusing support on small and medium-sized businesses – the rate relief support is available for businesses premises with a rateable value of £500,000 or less. There are around 200 premises with a rateable value greater than this.

This will allow us to add more than £100m to the Welsh Government's new Economic Resilience Fund, which will support small businesses and flagship strategic businesses.

Q When and how will this support be available?

The rates relief will be operated through the non-domestic rates system for 2020-21.

The £25,000 grant will be available to around 8,500 businesses and the £10,000 grant to a further 63,500 businesses throughout Wales.

We have been working with local authorities, the Welsh Local Government Association and Business Wales to cut the red tape and make it as easy as possible for businesses to receive this much-needed funding.

Information about how businesses can access the funding is available via the Business Wales website <https://businesswales.gov.wales/coronavirus-advice>

The business grants will be distributed by local authorities on behalf of Welsh Government from the week beginning March 30.

Q Is this the only support available to businesses in Wales?

This £1.4bn package extends the emergency £200m rates relief support we were able to announce on March 17.

The Development Bank of Wales is offering all its business customers a three-month capital repayment holiday to help them manage the financial fallout from the virus.

Extensive advice and support is available from Business Wales – <https://businesswales.gov.wales/> or 03000 6 03000.

The childcare offer will continue to be paid to local authorities and childcare settings, which currently receive payments for children in their care, even where services are disrupted. Childcare settings will continue to receive 100% rates relief.

Welsh businesses can apply for the UK Government's Job Retention Scheme, which covers 80% of an employee's wages (up to £2,500 per month) if they are not able to work as a result of the coronavirus pandemic. The chancellor has announced an equivalent scheme for the self-employed, which is also available to people in Wales (see below for details).

The UK Government has announced a temporary Coronavirus Business Interruption Loan Scheme. This will be available to businesses in Wales via the [British Business Bank](#). The HMRC Time to Pay scheme applies in Wales <https://www.gov.uk/difficulties-paying-hmrc>

The Welsh Government has also announced a £500m economic resilience fund to support businesses, charities and social enterprises.

Q What is the Welsh Government's Economic Resilience Fund?

The £500m fund will provide extra support to businesses and charities in Wales experiencing a sharp drop in trading as a result of the coronavirus pandemic.

It is designed to plug the gaps in the support schemes already announced by the UK Government, including the Job Retention Scheme and the Self-Employed Income Support Scheme, which will guarantee 80% of people's wages and income.

It is in addition to funding support for businesses already announced by the Welsh Government.

The fund is made up of two main elements:

- A new £100m Development Bank of Wales fund will be available for companies experiencing cash flow problems as a result of the pandemic and will provide loans of between £5,000 and £250,000 at minimal interest.
- Businesses will also benefit from a £400m emergency pot providing:
 - Grants of £10,000 for micro-businesses, including sole traders, with up to nine employees, which are not benefiting from the grants linked to business rates relief. This will be open for applications by mid-April.
 - Grants of up to £100,000 for small and medium sized firms with between 10 and 249 employees. This will be open for applications week starting April 6.

- Support for larger Welsh-headquartered companies, which are of critical social or economic importance to Wales. This element will be open to applications in April.
- The grants are discretionary and businesses will need to meet the criteria to qualify for the support.

The fund will support businesses forced to temporarily cease trading – to go into “hibernation” – or which need cash-flow support to adapt to a remote way of working.

This section will be updated with further details about the fund as they become available.

Q What support is available to businesses who have to pay sick pay?

The UK Government is bringing forward legislation to allow small and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to coronavirus. The eligibility criteria for the scheme will be as follows:

- This refund will cover up to two weeks’ SSP per eligible employee who has been off work because of COVID-19
- Employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020
- Employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19
- Employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note
- The eligible period for the scheme will commence the day after the regulations on the extension of Statutory Sick Pay to those staying at home comes into force
- The government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible.

Q What support is there to help businesses pay their employees’ wages if they have to close during the pandemic?

The Coronavirus Job Retention Scheme to open to any employer in the country and provides a grant to cover the wages of people who are not working but are furloughed and kept on payroll, rather than being laid off.

Government grants will cover 80% of the salary of retained workers up to a total of £2,500 a month.

The Coronavirus Job Retention Scheme will cover the cost of wages backdated to March 1.

Businesses in Wales will be eligible for the scheme.

Q What support is available for the self-employed?

The UK Government has announced it will pay self-employed people who have been adversely affected by coronavirus, a taxable grant worth 80% of their average monthly profits over the last three years, up to £2,500 a month.

The scheme will be available for at least three months but could be extended.

It will be open to anyone with income up to £50,000, who make the majority of their income from self-employment but only those who have a tax return for 2019, will be able to apply.

People who are eligible will be able to access the scheme by June.

Self-employed people in Wales will be eligible for the scheme.

Q Where can businesses get help and advice?

- Business Wales <https://businesswales.gov.wales/> or 03000 6 03000.
- The Development Bank of Wales <https://developmentbank.wales/> or 0800 587 4140.
- HMRC Coronavirus Helpline 0800 015 9559.