

Job Support Scheme Open

What is it for?

- The Government is significantly increasing support for jobs in businesses facing lower demand over the winter due to Covid-19. From the start of the scheme in November, the cost to employers of retaining their staff on the Job Support Scheme – Open (JSS-Open) will decrease.

How does it work?

- Instead of the employer having to pay for 1/3 of the cost of unworked hours they will only have to pay 5% and the minimum hours an employee on JSS-Open has to work will also reduce from 33% to 20%.
- This increases the government grant to 61.67% of an employee's wages, subject to a cap, for time not worked. These new rules will apply until the government reviews the scheme in the new year.

Who is eligible?

- This is a UK wide scheme
- And applies to all businesses who remain open but are facing lower demand across all tiers.

Case Study

- Andrew normally works 5 days a week and earns £1,400^[1] a month, working in a restaurant in the hospitality sector. His company is suffering reduced sales due to coronavirus. Rather than making Andrew redundant, the company puts Andrew on the Job Support Scheme, working 20% of his usual hours – the equivalent of one day a week.
- His employer pays Andrew £280 a month for these hours.
- And for the time he is not working (80%), he will get 66.67% of his pay for that time. His total wage package is 73%, equal to £1,027.
- The Government will give a grant worth £691 (61.67% of hours not worked) to Andrew's employer to support them in keeping Andrew's job, and his employer will pay a further £56 for hours not worked (5% of wages).
- In addition, the employer will cover the Employer NICs and auto enrolment pension contribution on the payment (£56).
- His employer may also be eligible for the Job Retention Bonus worth £1,000, this would cover 94.6% of the employer's total costs for retaining Andrew on the JSS between November and January.
- Any household, with no children or disabilities, that is entitled to UC will see an increase in their entitlement if their earnings fall, equal to 63p per £1 of earnings lost.

Job Support Scheme Closed

What is it for?

- Where the Government has had to go further on health restrictions and close business premises in some areas, the Job Support Scheme (JSS) has been adapted to protect jobs and help businesses reopen more quickly once those restrictions are lifted.

How does it work?

- The Government will provide employers with a grant for employees that have been instructed to and cease work, covering two thirds of their usual wages and subject to a cap.

Who is eligible?

- This is a UK wide scheme
- And applies to all businesses who are legally required to close across any tier.

Case Study

- Charlie normally earns £1400 a month and his company needs to close due to coronavirus. Rather than making Charlie redundant, the company puts Charlie on the Job Support Scheme Closed.
- The Government will give a grant worth 66.67% of Charlie's pay to his employer to support them in keeping Charlie' job.
- That means for the time he is not working, he will get 66.67% of his pay. His total wage package is equal to £933.
- The employer will cover the Employer NICs and autoenrollment pension contribution on the payment.
- Any household, with no children or disabilities, that is entitled to UC will see an increase in their entitlement if their earnings fall, equal to 63p per £1 of earnings lost.

Job Retention Bonus

What is it for?

- The Job Retention Bonus will preserve the valuable employee - employer relationships that were protected through the CJRS and reduces the risk that employees are made redundant.

How does it work?

- To ensure that the firms are encouraged to keep employees as demand returns, the government has introduced the JRB, a one-off payment of £1,000 to employers for each employee who was ever furloughed and has been continuously employed until 31 January 2021.
- From February 2021, employers will be able to claim the Job Retention Bonus through GOV.UK.

Who is eligible?

You can claim for employees if:

- you made an eligible claim under the Coronavirus Job Retention Scheme (CJRS), and under the Job Support Scheme Open and Closed, but only if you were previously on the CJRS
- you kept continuously employed from the end of the claim period of your last Coronavirus Job Retention Scheme claim for them, until 31 January 2021

Self-Employed Income Support Scheme (SEISS) and SEISS Grant Extension

What is it for?

- To support self-employed individuals adversely affected by Coronavirus, the Self-Employment Income Support Scheme (SEISS) has provided support totalling £13.4bn to the self-employed.

How does it work?

- Applications for the first grant opened on 13 May and closed on 13 July.
 - This initial grant provided eligible claimants with a taxable grant worth 80% of their average monthly trading profits and was paid out in a single instalment covering three months' worth of profits and capped at £7,500 altogether.
- Applications for a second SEISS grant opened on 17 August and closed on 19 October
 - This second grant provided eligible claimants with a taxable grant worth 70% of their average monthly trading profits, paid out in a single instalment covering a further three months' worth of profit, and capped at £6,570 in total.
- As part of the Winter Economy Plan, the Chancellor announced an six-month extension to the scheme.
- Grants will be paid in two lump sum instalments each covering a three-month period – the first from November until the end of January and the second from the start of February until the end of April.
- The Government will provide a taxable grant covering 40 per cent of average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £3,750 in total. Originally the grant covered 20% of average monthly trading profits, but this was doubled by the Chancellor on 22 October.
- The Government is providing broadly the same level of support for the self-employed as is being provided for employees through the Job Support scheme.

Who is eligible?

To be eligible, you must be self-employed, and all the following must also apply:

- you traded in the tax year 2018 to 2019 and submitted your Self-Assessment tax return on or before 23 April 2020 for that year
- you traded in the tax year 2019 to 2020
- you are trading when you apply - if you have temporarily had to stop trading due to coronavirus you will still be classed as trading by HMRC
- you intend to continue to trade in the tax year 2020 to 2021
- your business has been adversely affected by coronavirus

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To be eligible for the SEISS Grant Extension, self-employed individuals, including members of partnerships, must meet the following criteria:

- Were previously eligible for SEISS grant one and grant two (although they do not have to have claimed the previous grants)

AND EITHER

- Declare that they are currently actively trading but are impacted by reduced demand due to COVID-19, and intend to continue to trade

OR

- Declare that they were previously trading but are temporarily unable to do so due to COVID-19, and intend to continue to trade

The scheme is UK wide.

Case Study

- Self-employed individual [x] finds themselves adversely affected by COVID in the early months of the pandemic (e.g. Forced to shield or self-isolate)
- X checks to see if they meet the other eligibility criteria for the grant:
 - you traded in the tax year 2018 to 2019 and have submitted your Self-Assessment tax return on or before 23 April 2020 for that year
 - you traded in the tax year 2019 to 2020
 - you are trading when you apply - if you have temporarily had to stop trading due to coronavirus you will still be classed as trading by HMRC
 - you intend to continue to trade in the tax year 2020 to 2021
 - trading profits no more than £50,000 and at least equal to your non-trading income for either the: tax year 2018-19 or average of the tax years 2016 -17, 2017 -18, and 2018-19
- If X meets these conditions, individual applied for the SEISS and (depending on when they would have applied) is provided with a taxable grant.

Local Restrictions Support Grant (Closed)

What is it for?

- We are providing local business grants to firms required to close due to local or national restrictions to help pay fixed property-related costs, such as rental payments.

How does it work?

- Businesses required to close due to local or national restrictions will be eligible for the following:
 - For properties with a rateable value of £15k or under, grants to be £1,334 per month, or £667 per two weeks;
 - For properties with a rateable value of between £15k-£51k grants to be £2000 per month, or £1000 per two weeks;
 - For properties with a rateable value of £51k or over grants to be £3000 per month, or £1500 per two weeks.

Businesses which have been forced to close on a national rather than a local basis, for example nightclubs, will be eligible for this scheme for each additional two weeks of closure after 1 November, in line with the Job Support Scheme.

Who is eligible?

Your business may be eligible if it:

- occupies property in England on which it pays business rates
- is in a local lockdown area and has been required to close because of the formal publication of local restrictions guidance that resulted in a first full day of closure on or after 9 September. This funding is not retrospective
- has been required to close for at least 2 weeks because of the lockdown
- has been unable to provide its usual in-person customer service from its premises
- Eligible businesses will get one grant for each property liable for business rates within the lockdown zone.
- Devolved administrations will receive support via Barnett consequentials.

Local Restrictions Support Grant (Tier 2)

What is it for?

- We are providing funding to support retail, accommodation, and leisure businesses which – while not legally closed – are impacted by the restrictions in Tier 2 areas.

How does it work?

- It will be up to local authorities to determine which businesses are eligible for grant funding in their local areas, and what precise funding to allocate to each business – the below levels are only an approximate guide.

Who is eligible?

- The funding will be made available to English local authorities.
- The amount they receive will be based on the number of hospitality, hotel, B&B, and leisure businesses in their area.
- LAs will receive a funding amount that will be the equivalent of:
 - For properties with an RV of £15k or under, grants of £934 per month
 - For properties with an RV of between £15k-£51k, grants of £1,400 per month
 - For properties with an RV of £51k, grants of £2,100 per month
- This is equivalent to 70% of the grant amounts given to legally closed businesses.
- English local authorities will also receive a 5% top up amount to these implied grant amounts to cover other businesses that might be affected by the local restrictions, but which do not neatly fit into these categories. Devolved administrations will receive support via Barnett consequentials.

Local Authority General Funding Support

Since March we've committed over £6bn in support to all local authorities in England, including:

- Over £3.7bn of grant funding already paid to help them respond to pressure across all their services.
- A further £1bn announced by the PM on 12 October to protect vital services.
- £300m has gone from the Test and Trace fund to support local authorities to develop local outbreak plans.
- In addition, we have now ringfenced over £1.1bn to support social care providers through the Infection Control Fund, helping to tackle the spread of the virus.

Added to this:

- Financial support (at a rate of £1 per head) is available to local authorities in Tier 1 with a high incidence of Covid-19 through the Contain Outbreak Management Fund, to support public health.
- Those in Tier 2 receive an additional £2 per head and those in Tier 3 receive an additional £5 per head, up to a total of £8 per head.
- We are also providing funding for local authorities in Tier 3 to support businesses, as in Lancashire, Liverpool, Greater Manchester and South Yorkshire. This is to compliment national measures to protect jobs and to support businesses closed or indirectly affected by closures in their areas. If scaled up proportionately across England, this would equate to support worth more than £1 billion.

Wider package of existing support...

Support for individuals

- Statutory Sick Pay: Covid-19 related SSP has been made payable from the first day of sickness absence, rather than the fourth.
- Enhanced Time to Pay for Self-Assessment taxpayers: the government are giving the self-employed and other taxpayers more time to pay taxes due in January 2021, building on the Self-Assessment deferral provided in July 2020.
- Hardship Fund: provides vulnerable people in England meet their council tax payments
- Universal Credit Uplift: to support those on universal credit, the government are providing an addition of £20 per week to the universal credit baseline until 31 March 2021.
- **Test and Trace Support Payment scheme:** the scheme will support people who are instructed to self-isolate by NHS Test and Trace and are on a low income, unable to work from home and will lose income as a result.

Support for businesses

- Access to finance: To help businesses weather the economic impact of Covid-19, the government has introduced a series of loan guarantee schemes including the CBILS, BBLS, CLBILS
- Covid-19 Corporate Financing Facility (CCFF): This will help businesses address the severe liquidity issues seen in credit markets in the initial Covid-19 crisis.
- Future Fund: Provides finance for UK based firms with high growth potential that need investment.
- Pay as you Grow: Businesses that borrowed under the BBLS will have the option to repay their loan over a period of up to ten years and the option to move temporarily to interest-only payments for periods of up to six months, or to pause their repayments for up to six months. This will provide businesses with more flexibility when repaying their loan.
- Business Rates Holidays: Retail, Leisure and Nurseries: All eligible businesses in the retail, hospitality and leisure sectors will pay no business rates in England for 12 months from 1 April 2020.
- Temporary VAT Reduced Rate for Tourism and Hospitality: The reduced VAT rate will continue supporting the cashflow and viability of over 150,000 UK businesses.
- VAT Deferral 'New Payment Scheme': The government will give businesses which deferred VAT due in March to June 2020 the option to spread their payments over the financial year 2021 – 2022.

Economic support available across different tiers

TIER 1	TIER 2	TIER 3
<i>Social distancing, 10PM curfew, Rule of Six</i>	<i>As tier 1, ban on household mixing indoors. Pubs and restaurants NOT REQUIRED to close, but face LIMITED DEMAND</i>	<i>As tier 2, wet led pubs and bars REQUIRED to close. Other settings such as leisure and personal care may also be REQUIRED to close. Settings NOT REQUIRED to close may face LIMITED DEMAND</i>
Job Support Scheme OPEN	Job Support Scheme OPEN	Job Support Scheme OPEN
Job Support Scheme CLOSED	Job Support Scheme CLOSED	Job Support Scheme CLOSED
Self-employed grants	Self-employed grants	Self-employed grants
Funding to LAs with high incidence to support public health (£1 per person)	<i>Cash grants for hospitality businesses (equivalent of up to £2,100 per business property per month if open) Funding to LAs to support public health (additional £2 per person for £3 per person total)</i>	<i>Cash grants for any closed business (up to £3,000 per month per business) Funding to LAs to support public health (additional £5 per person for £8 per person total) Additional funding to LAs to support business</i>
£200 BILLION PACKAGE, through our WINTER ECONOMY PLAN and PLAN FOR JOBS		
8-month long furlough scheme... £1,000 Job Retention Bonus... Two Self-Employed grants... Business grants of £10,000-£25,000... Business rates relief... Bounce Back Loans & CBILS... Future Fund... Time To Pay and VAT Deferrals... £1,000 increase to Universal Credit and a Council Tax Hardship Fund... Mortgage holidays... Eat Out To Help Out in August... Temporary VAT cut to 5%... Stamp duty cut... Kickstart scheme.. Apprenticeships.. £1.57 billion Culture Recovery Fund... Money for charities...		