



Coronavirus advice and help

Fact sheet no. BDL 74 Coronavirus advice and help

April 2020

The outbreak of coronavirus means that you may need to self-isolate. This means that you might have to stay at home to avoid spreading the virus. You may also have to follow other guidelines issued by the Government. This may impact on your ability to work, how much you earn or stop you from doing things you normally need to do to claim benefits.

The Government and banks have said that they will offer help to people if they are affected by coronavirus. If you need more information about the symptoms of coronavirus or advice about avoiding infection, go to the [NHS website](#).

Help for sole traders and businesses

Government guidance

The Government has released [guidance for employers and businesses](#) on how you should deal with the impact of coronavirus. The guide covers several topics, such as how to help prevent the spread of the virus, what to do if someone in your work force has coronavirus and advice on the certification of absence from work resulting from coronavirus.

The Chancellor also confirmed in a [statement](#) on **17 March 2020** that advice given by Government to avoid pubs, clubs and theatres is sufficient for businesses to claim on their insurance if they have appropriate business interruption cover for pandemics in place. Although advice has changed and the Government has said that many of these businesses must now close, the Chancellor's earlier statement may affect the date from which your insurer pays you.

Help for the self-employed and businesses

The Government has announced the following help for self-employed people and businesses.

A temporary Coronavirus Business Interruption Loan Scheme

This scheme is now open and allows banks to offer loans to support small and medium sized businesses. The Government will cover the first **12 months** of interest payments.

The Government also [announced](#) the following changes to the scheme on **3 April 2020**.

- All viable small businesses affected by coronavirus issues, and not just those unable to secure regular commercial financing, are now eligible for the scheme.
- Lenders cannot ask for a personal guarantee for loans **under £250,000**.

For more information about the scheme and a list of lenders, visit the [British Business Bank](#) website.

Statutory Sick Pay refunds

If you run a business with fewer than **250 people**, costs for up to **14 days** of Statutory Sick Pay will be refunded for employees who have been off work because of coronavirus.

HMRC Coronavirus Helpline

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You can call the HMRC Coronavirus Helpline on **0800 024 1222** if you cannot pay your tax bill on time because of coronavirus. You can also continue to use [HMRC's Time to Pay service](#).

Deferral of some payments to HMRC

Businesses are being given longer to make some payments to HMRC. This includes:

- [VAT payments](#) that are due between **20 March 2020** and **30 June 2020**; and
- [Self-Assessment payments on account](#) that are due on **31 July 2020**.

The Coronavirus Job Retention Scheme

This [scheme](#) will be available to all UK businesses and will run for at least three months. Once the scheme is open, HMRC will repay **80%** of selected employees' wages up to a maximum amount of **£2,500 per month**. This will also include employer National Insurance contributions and minimum employer auto-enrolment pension scheme contributions. You will need to apply online when the scheme is open.

If you are a director of a limited company and paid as an employee of the limited company through PAYE, the limited company can apply for help from the Coronavirus Job Retention Scheme if you are furloughed. Our understanding is that a director who is also an employee can furlough themselves as long as they only carry out minor statutory and administrative director duties. You must not provide services or carry out income generating 'employee' activities while you are furloughed.

This scheme will **not** cover any dividends that you receive as a director. So, if you are a director of a limited company, paid as an employee of the limited company through PAYE and also get dividends from the limited company, you will need to decide whether being furloughed is the best option for you. If you are unsure, speak to your accountant or bookkeeper.

If you are a salaried member of a limited liability partnership (LLP), then you may also be eligible for support through the scheme. If you are a member of an LLP and uncertain about whether you are 'salaried', or not, check the LLP agreement. You may also need to contact your accountant or bookkeeper.

The Self-employment Income Support Scheme

This [scheme](#) pays a grant of **80%** of your average trading profits up to a maximum of **£2,500 per month for three months**. It is available to self-employed individuals and members of a business partnership who have trading profits of less than **£50,000** and get more than **half of their income** from self-employment. You must also:

- have submitted your 2018 - 2019 tax return (or do so by **23 April 2020**);
- have traded in the 2019 - 2020 tax year;
- still be trading (or would be if it were not for coronavirus);
- plan to continue trading in the 2020 - 2021 tax year; and
- have lost trading profits because of coronavirus.

The scheme is not open yet. **HMRC will start contacting eligible people by the start of June**. For more information, go to www.gov.uk and search for 'Claim a grant through the coronavirus (COVID-19) Self-employment Income Support Scheme'. Please also read the scam warning.



For more information about Government support for businesses, go to www.gov.uk and search for 'COVID-19: support for businesses'.

Business rates

- Business rates in **England** will be scrapped for **12 months** from **1 April 2020** for retail, leisure and hospitality businesses. Contact your [local authority](#) to find out if you qualify.
- Business rates in **Wales** will be scrapped for **12 months** from **1 April 2020** for retail, leisure and hospitality businesses with a rateable value of **£500,000 or below**. Contact your [local authority](#) to find out if you qualify.

The following changes apply to Business rates in **Scotland**.

- Business rates will be scrapped for **12 months** from **1 April 2020** for retail, hospitality and leisure businesses. You do not need to apply, as this relief will automatically be applied to your bill by your [local authority](#).
- Business rates will also be scrapped for **12 months** from **1 April 2020** for Scottish airports and businesses that provide [handling services](#) for scheduled passenger flights at Scottish airports.
- All business rates will get rates relief of **1.6%** for the business rates year **2020 - 2021**.

Grants

In England, the following grants are being given. You do not need to do anything. Your local authority will write to you if you are eligible.

- A grant of **£10,000** for the smallest businesses. These businesses will be ones currently eligible for small business rates relief or rural rate relief.
- A grant of **£25,000** to retail, hospitality and leisure businesses that operate from smaller premises that have a rateable value of between **£15,000** and **£51,000**.

The [Business Support](#) website also contains useful information for businesses in England. Go to www.businesssupport.gov.uk or call 0300 456 3565.

In Wales, the following grants are being given. They will be administered through the business rates system, so you do not need to apply

- A grant of **£10,000** for all businesses that are eligible for small business rates relief with a rateable value of up to **£12,000**.
- A grant of **£25,000** to retail, hospitality and leisure businesses that operate from smaller premises that have a rateable value of between **£12,001** and **£51,000**.

For information, go to www.gov.wales and search for Coronavirus (COVID-19): support for businesses.

The [Business Wales](#) website also contains useful information for businesses in Wales. Go to www.businesswales.gov.wales or call 0300 060 3000.

In Scotland, the following grants are being given

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- A grant of **£10,000** for small businesses in receipt of the Small Business Bonus Scheme or Rural Relief.
- A grant of **£25,000** for retail, hospitality and leisure properties with a rateable value between **£18,001** and **£51,000**.

The [Business Gateway](#) website is run by local authorities and also contains useful information for businesses in Scotland. Go to www.bgateway.com or call 0300 013 4753.

Business rent

In **England** and **Wales**, the Government has introduced temporary measures to protect business tenants. From **26 March 2020** until **30 June 2020**, business landlords can no longer end your lease and take the premises back (forfeit the lease) because of rent arrears.

In **Scotland**, the Scottish Government has also introduced a temporary law to protect business tenants. If your landlord wants to use an irritancy clause to end your business lease because of rent arrears, they must give you at least **14 weeks'** notice.

Your business rent will still be due. If you cannot afford to pay your business rent, contact your landlord to discuss your situation.

Companies House accounts

From **25 March 2020**, companies can apply online for a **three-month extension** for filing their accounts to Companies House. To avoid penalties, it is important to do this before your company's normal filing date. For more information go to www.gov.uk and search for 'Applying for more time to file your company's accounts'.

Directors' duties

On **28 March 2020**, the Government said that it will temporarily suspend the wrongful trading rules to help company directors continue to trade during the coronavirus period. For details of the announcement, go to www.gov.uk and search for 'Regulations temporarily suspended to fast-track supplies of PPE to NHS staff and protect companies hit by COVID-19'.

If your income is affected

If you are unwell or self-isolating, you are not eligible to receive Statutory Sick Pay unless you are employed. Instead, you may be able to claim Universal Credit and/or contributory Employment and Support Allowance.

- The Government has announced that [contributory Employment and support allowance](#) can now be claimed from **day one** of illness.
- If you are claiming [Universal Credit](#), you can do so without having to attend a job centre if you have been advised to self-isolate.
- The Government has temporarily changed the way they work out Universal Credit for self-employed people on low incomes. Call the Universal Credit helpline on **0800 328 5644** for more information.

If you are employed, you may be entitled to [Statutory Sick Pay](#) more quickly than usual.



[Turn2us](#) has more information about benefits and how to claim them.

Already claiming benefits?

If you are claiming Universal Credit you may need to meet certain requirements to continue to receive the benefit. This could be job searching, periods of time at work, or attending regular meetings or assessments.

If you are too ill to carry out any task, you should phone the office paying the benefit to explain why you can't go. There will be no requirement for people self-isolating to attend a job centre to claim benefits. This can be done over the phone instead.

The Government has confirmed that if you are claiming sickness and disability benefits you will no longer need to attend face-to-face assessments for the next **three months**. This will apply if you receive Personal Independence Payments (PIP), Employment and Support Allowance (ESA), Industrial Injuries Disability Benefit and possibly Universal Credit. New claimants will also no longer need face-to-face assessments. More information can be found on the [GOV.UK](#) website.

Important:



if you are already getting Universal Credit

Make sure you explain in your online journal why you haven't been unable to attend as expected.

Benefit increases

From **6 April 2020**, the standard allowance in Universal Credit and the basic element in Working Tax Credit will be increased by **£20** per week. This will apply to new and existing claimants. The exact amount you will receive will depend on your situation.

If you rent privately the maximum amount of help you can receive through Housing Benefit or Universal Credit has been increased to **30%** of the average rents in all areas of the UK. This is called the Local Housing Allowance

To find out more about how these changes may help you, please visit Turn2us. They have a [benefit calculator](#) to help you find out if and how much you may be able to claim

Benefit overpayments

The Department for Work and Pensions (DWP) has temporarily stopped taking action to recover:

- DWP benefit overpayments;
- tax credit debts being managed by the DWP; and
- social fund loans.



The DWP will be suspending existing repayment methods that are in place, such as by direct debit, taking the overpayment from other benefits that you are entitled to or taking it directly from your wages.

You do not need to contact the DWP to arrange for the suspension. However, if you pay one of these overpayments through your bank, you may need to cancel the payment arrangement with your bank.

At this time, the DWP will not start any new recovery action.

Sometimes the DWP uses debt collectors to ask you to pay a benefit overpayment. The DWP has told debt collectors acting for them to stop collecting these overpayments for the time being.

This information only applies to the benefits listed.

Eligible Loan Reduction Scheme

The DWP are also pausing deductions from benefits for loans taken out using the [Eligible Loan Reduction Scheme](#) until at least **July 2020**. These loans are usually through credit unions or other not-for-profit organisations.

Your bank may be able to help

New measures brought in by the Financial conduct Authority (FCA)

The FCA has introduced new measures that may help if you have temporary financial difficulties because of coronavirus. The measures:

- cover personal loans, credit cards and overdrafts;
- will not affect your credit file; and
- start from **9 April 2020**, although some lenders are being given until **14 April 2020** to put resources in place.

If you have been affected by coronavirus, you can ask for a temporary payment freeze on loans and credit cards for up to **three months**. This means that you will not have to make a payment for the time agreed. Your lender will continue to charge interest during the payment freeze, so it is likely that your payments will be higher once the payment freeze has ended. So, if you can afford to make the usual payment (or a part payment), continue to do so.

If you have been affected by coronavirus and already have an arranged overdraft on your main personal current account, you can ask for up to **£500** of the overdraft borrowing to be charged at **zero interest** for **three months**.

If you are interested in one of these measures, check your lender's website for information. Where possible, use online services to ask for support. You can call your lender, but it may take quite a while to get through.

The FCA recently introduced other rules for overdrafts. Under those rules lenders can only charge a single annual interest rate for arranged and unarranged overdrafts, with no additional daily charges. Under the new FCA measures, your lender will also have to make sure that you are not paying more than you would have paid for your overdraft compared to the prices charged before the recent changes came into force.

See the [FCA's Coronavirus: information for consumers on personal loans, credit cards and overdrafts](#) for more information about the new measures



Other bank debts

If you are struggling to pay unsecured bank debts that are not covered by the new FCA measures, you can still contact your bank to explain your situation. Each bank will consider what help it may give on a case by case basis. Go to their website to see what help is available. You can also call your bank, but be aware that you may have to wait some time.

If you agree a payment holiday with your bank because of problems caused by coronavirus, it shouldn't negatively affect your credit reference file. This has been agreed by credit reference agencies, Experian, Equifax and TransUnion.

Some banks are also allowing people to access their fixed-savings accounts without a penalty. Contact your bank, explain your situation and see how they can help.

Avoid taking out more credit unless you know that you can afford to pay it back.

If you have debts which are now unaffordable, **contact us for advice**. While you are waiting to get the advice that you need, you can send your creditors a letter asking them to [hold action on your account due to coronavirus](#).

Help with your mortgage

The Government has announced that if you are affected by coronavirus and struggle to pay your mortgage, you may be able to receive a **three month** payment holiday. This means you will not have to make a repayment for **three months**. However, interest will continue to accrue during this time.

- Your lender will look at your individual circumstances and offer support on a case-by-case basis.
- You will need to make up the payments that have been deferred; this could be over the remaining term of the mortgage.
- If a payment holiday is agreed then it should not affect your credit rating.

The [Financial Conduct Authority \(FCA\)](#) has issued guidance for lenders and useful [Mortgage and coronavirus: information for consumers](#).

If you have other loans secured on your home and it is the right decision for you, you can also ask your lender if they will give you a payment holiday on those loans too. However, please be aware that the FCA guidance does **not** cover loans that were taken out by a limited company for which you have given a personal guarantee that is secured against your home.

You can also ask your lender for a payment holiday if you have a commercial mortgage, although the situation is more complicated. If your lender agrees to a payment holiday, check that they will follow FCA guidelines. If they are not following FCA guidelines, **contact us for advice**.

For information on buy-to-let mortgages, see the later **Buy-to-let landlords** section.

Lenders also announced that no repossession action will be taken for a **three month period** starting on **19 March 2020**.

In **England** and **Wales**, the court service also announced that from **27 March 2020**, it will suspend all new and ongoing possession action for at least **90 days**.



If you have been sent an eviction notice, contact the court that is dealing with your case to check that the action is being suspended. If it is not being suspended, contact Shelter for advice straight away.

If you cannot afford to pay your mortgage or already have arrears, contact your lender as soon as possible to discuss your situation. If you are at risk of repossession and your lender is unhelpful, contact:

- [Shelter](#) on **0808 800 4444** if you live in **England**;
- [Shelter Cymru](#) on **0800 049 5495** if you live in **Wales**; or
- [Shelter Scotland](#) on **0808 800 4444** if you live in **Scotland**.

Information is also available on their websites.

Help to Buy customers

The Government has confirmed a possible **three month** repayment holiday if you have been affected by the coronavirus and have Help to Buy loans.

For more details contact the Help to Buy: Equity Loan administrator on **0345 848 0236**.

If the loan was taken out in Wales, you should contact [Help to Buy \(Wales\) Ltd](#) on **029 2080 3451**.

Buy-to-let landlords

On **18 March 2020**, the Government [announced](#) the following measures to protect tenants and landlords affected by coronavirus.

- There will be no new evictions from social or private rented accommodation while the emergency is taking place.
- New possession proceeding applications through the court cannot be started during the crisis.
- To protect landlords, the new three-month mortgage payment holiday will also apply to Buy to Let mortgages. See the earlier section **Help with your mortgage** for more information about how this works.

Tenants and landlords will be expected to work together to agree affordable payment arrangements once this period is over.

Help if you rent your home

In **England** and **Wales**, the Government has introduced temporary laws to protect tenants. From **26 March 2020** until **30 September 2020**, landlords must give at least **three months' notice** before they can start court action to evict you.

From **27 March 2020**, the court service also announced that it will suspend all new and ongoing possession action for at least **90 days**.

If you have been sent an eviction notice, contact the court that is dealing with your case to check that the action is being suspended. If it is not being suspended, contact Shelter for advice straight away.

If you cannot afford to pay your rent or already have arrears, contact your landlord as soon as possible to discuss your situation. If your landlord is unhelpful and you need more support, contact:



- [Shelter](#) on **0808 800 4444** if you live in **England**; or
- [Shelter Cymru](#) on **0800 049 5495** if you live in **Wales**.

Information is also available on their websites.

In **Scotland**, the [Housing and Property Chamber](#) has postponed all scheduled hearings until **28 May 2020**. This means that if a decision to evict you has not already been made, you can't be evicted from your property before this date. If you have a case that has been postponed, you will be notified when you should attend the Tribunal.

The Scottish Government has also passed a temporary law to protect tenants in Scotland during the coronavirus period. In most cases, your landlord needs to give you **six months'** notice before they can start legal action to evict you. There are some exceptions, such as where a landlord is ending the tenancy due to antisocial and criminal behaviour or because the landlord or their family need to move into the property. More information can be found at [Shelter Scotland](#).

If your landlord is unhelpful and you need more support, contact [Shelter Scotland](#) on **0808 800 4444**.

Help with your council tax

Councils in **England** have received guidance from the Government on how they should use new funding to help households in their area.

If you currently get help from the Council Tax Reduction scheme (also called Council Tax Support) and are of working-age, you may see your council tax bill for **2020-2021** reduce by a further **£150**.

- You do not need to have been directly affected by coronavirus to be eligible.
- You do not need to apply to the council for this extra reduction. Councils already have details of households that get help through the Council Tax Reduction scheme and should contact you directly.

Your 2020-2021 council tax bill

Some councils are changing the months during which they collect council tax payments for the **2020-2021** tax year. Instead of collecting payments from **April 2020** to **January 2021**, some councils are collecting payments from **June 2020** to **March 2021**. This means that if you usually pay your council tax in 10 instalments, the months that you would not pay council tax would be **April** and **May 2020**, rather than **February** and **March 2021**. Check with your council to see if they are making this change.

If your council is not making this change and you will struggle to pay your council tax in **April 2020**, contact your council and explain this to them.

Councils may give further help if you are dealing with exceptional circumstances.



Help from your home energy provider

Energy providers have agreed that the disconnection of credit meters will be completely suspended. Also, if you are self-isolating and unable to top up your pre-payment meter, you can:

- nominate a third party for credit top ups;
- have a discretionary fund added to your credit; or
- have a pre-loaded top up card sent so that your supply is not interrupted.

If you are struggling to manage repayments to your energy provider contact them to see what help they can provide. New guidance means that your debt repayments and bill payments could be reassessed, reduced or paused where necessary.

More information can be found on the [GOV.UK website](#).

If you are a vulnerable person, you could ask your energy provider to place you on the **Priority Services Register**. The Priority Services Register can help to make sure that you receive all the appropriate support you need. You can find out who may be classed as vulnerable and what help is available by visiting [Ofgem](#).

Help from your household water supplier

Water companies have agreed to help customers in a variety of ways because of the coronavirus crisis. Water UK has said that companies are:

- stopping new court applications on unpaid bills during the current restrictions, and stopping any enforcement visits;
- actively offering payment breaks or payment holidays for anyone in financial difficulties as a result of coronavirus; and
- changing payment plans urgently to help with sudden changes in household finances.

Each water company will have its own scheme. Contact them directly to see what help can be provided. A full list of possible support and more detail can be found on [Water UK's website](#).

Help from your mobile or broadband provider

Most of the main broadband and mobile companies have introduced a range of measures to try to help customers.

- Providers will help if you are struggling to pay your bill and make sure you are treated fairly. Contact them if you are struggling to pay your bill.
- They have agreed to remove all data caps on fixed broadband services. Check with your provider if you are unsure if this applies to you.
- You may be offered a new package to help you stay connected. Some of these packages include data boosts at low prices and free calls from home phones or mobiles. Contact your provider to see if you could benefit from this.



Help with your TV licence

TV Licensing have taken steps to help if you are struggling to pay your TV licence.

- The TV licensing call centre is currently closed, but there are other ways you can try to [pay](#). If you are unable to make payments, TV Licensing has agreed that you can pay retrospectively catch up with payments once they are open again.
- TV Licensing has stopped sending arrears letters to people who have fallen behind on payments.
- Collection visits by officers have also been stopped.
- If you are in financial hardship and urgently need to stop your direct debit payments, you can do this with your bank while the call centre is closed. You will need to make up any payments that you miss to your TV licence.

Magistrates' court hearings

Magistrates' courts are limiting the number of cases that are being heard. If you have been told to attend a magistrates' court hearing, it is important that you attend. However, to avoid an unnecessary journey, we suggest that you contact the court that is dealing with your case to check whether your hearing is going ahead.

Extra support

Food parcels

The Government has started to deliver [food parcels](#) to those most at risk from coronavirus. To receive a food parcel you need to have a medical condition which makes you extremely vulnerable to coronavirus. You can register as a clinically extremely vulnerable person on the [GOV.UK](#) website.

Free school meals/vouchers

If your child is eligible for free school meals the school should make sure that they continue to provide this. The school may send food parcels or give you supermarket food vouchers during term time weeks. Speak to your child's school to check that this is being done for you. More detail can be found on the [GOV.UK](#) website.

Food banks

If you are struggling to buy food, many food banks are staying open to support people during the coronavirus crisis. However the numbers of sessions are being reduced and you will be given or sent a pre-packed food parcel. You can find your local food bank through [The Trussell Trust](#).

Charitable grants

Many charities offer non-repayable grants to people who are struggling financially. To see if there are any grants which may be able to help you, visit the [Turn2us](#) website.



Council assistance support schemes

If you live in **England**, you can apply to your [local welfare assistance scheme](#). Each council runs their own scheme. Vouchers can be given to help pay for day-to-day essentials, such as a hot meal, furniture or household appliances. Contact your [local council](#) to see if you can benefit from their scheme.

If you live in **Scotland**, you can apply for a [Crisis Grant](#). The grant can cover the cost of an emergency, such as an unexpected crisis or a gap in your normal income.

If you live in **Wales**, you can apply for an [Emergency Assistance Payment](#). The payment can help cover the cost of food, clothing gas, electric and emergency travel.

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Business Debtline endeavour to keep our fact sheets as up-to-date as possible, however, we cannot be held responsible for changes in legislation or for developments in case law since this edition of the fact sheet was issued.

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