

COVID-19 – Easter Weekend News Bulletin

10-14 April 2020

Heart of London Business Alliance is committed to ensuring our members receive the support they need while the situation in relation to COVID-19 is fast-changing. Our Daily Bulletin provides you with an update on the important announcements and guidance from the Government. In addition, it is recommended that our members monitor the [GOV.UK](https://www.gov.uk) website for guidance regarding COVID-19.

Together with our local Member of Parliament, Nickie Aiken, Heart of London will continue to lobby Government for support for our members and your employees during this difficult time.

Headlines

- Boris Johnson was discharged from hospital after spending a week receiving treatment for COVID-19
- Foreign Secretary Dominic Raab will continue to stand in for Mr Johnson for the time being
- The UK death toll tragically moved past 10,000
- Health Secretary Matt Hancock thanked the nation for continuing to follow social distancing rules over Easter
- The Department for International Trade announced new measures to help protect the UK from a second wave of coronavirus by slowing the spread in the most vulnerable countries
- The Health Secretary unveiled a new contact tracing app developed by the NHS
- Home Secretary Priti Patel addressed how the outbreak of the COVID-19 has changed the nature of crime in the UK

Boris Johnson discharged from hospital

- On Sunday, Prime Minister Boris Johnson was released from hospital after spending a week in St Thomas' hospital where he received treatment for COVID-19.
- Following the advice of his medical team, Johnson will not return to work straight away and will continue his recovery at the Prime Minister's country residence, Chequers.
- In a statement, the Prime Minister thanked everyone "at St Thomas' for the brilliant care he has received". Johnson also released a video in which thanked the NHS for "a week in which the NHS has saved [his] life, no question".
- He took the time to thank the individual doctors and nurses who treated him as well as all the frontline workers who put their lives on the line daily.
- The Prime Minister thanked the nation for its sacrifice and following the social distancing rules during the good weather over the Easter Bank Holiday weekend. He added that the struggle is by no means over: "We are making progress because the British Public formed a human shield around this country's greatest national asset our National Health Service".
- Dominic Raab, the Foreign Secretary, will continue to deputise for the Prime Minister in his absence.

Daily Government Coronavirus Press Conference

Monday

- Monday's press conference was led by Foreign Secretary Dominic Raab who continues to deputise for the Prime Minister as it was confirmed that over 11,000 people in the UK have died from COVID-19. He was joined by Chief Medical Officer, Professor Chris Whitty and Professor Patrick Vallance, Chief Scientific Adviser.
- Mr Raab stated that the Scientific Advisory Group for Emergencies (SAGE) had explored the effectiveness of its current advice. The Government will continue to base public advice on the evidence produced by SAGE and would not make any changes until they are certain of that evidence.
- Monday marks the end of the third week of lockdown measures in the UK, the time limit at which the Government is legally obliged to undertake a review. Although the Government will review the restrictions this week, Mr Raab confirmed the widely expected news that they are not anticipating any change to the restrictions currently in place.
- Professor Patrick Vallance highlighted that new confirmed cases had decreased over recent days, with the number of deaths also falling, but it is unclear whether that pattern would continue.
- Dr Whitty warned that it was likely that the number of deaths could increase over the next couple of weeks.
- The Foreign Secretary concluded by reiterating that the Government's priority was to flatten the peak of the coronavirus outbreak and to ensure that the NHS could withstand increased demand.
- When questioned on COVID-19-related deaths outside of hospitals, Dr Whitty advised that the Government were taking these into account but that it was a matter of demonstrating proven cases, which can be delayed due to reliance upon secondary data from the Office of National Statistics (ONS).

Sunday

- Sunday's press conference was led by Health Secretary, Matt Hancock with Professor Yvonne Doyle, Medical Director and Director of Health Protection for Public Health England.
- The Health Secretary stated that the UK has joined other nations globally who has seen more than 10,000 coronavirus deaths.
- Hancock announced that there are currently 2,295 spare critical care beds across the country.
- Hancock announced that there are currently, 9,774 ventilators in operation, 5,000 former NHS staff are back at the front line with a total 36,000 that have in listed their service.
- The Health Secretary stated that the government has distributed record amounts of personal protective equipment (PPE) into the healthcare system and released a full distribution plan on Friday
- The Health Secretary unveiled a new contact tracing app developed by the NHS. Hancock stated that the data will be secure and will only be used for NHS analysis and will not be kept longer than needed. The government is working with leading technology companies to deliver this service.

Saturday

- Home Secretary Priti Patel was joined by Martin Hewitt, Chair of the National Police Chief's Council, and Professor Steven Powis, National Medical Director of NHS England.
- Ms Patel addressed how the outbreak of the COVID-19 has changed the nature of crime in the UK. While crime figures are down overall, Ms Patel identified fraud, child abuse and domestic abuse as areas in which criminals are taking advantage of the current situation.
- She emphasised that throughout the crisis, there will be no change in the police's operational response to such matters.
- The Home Office is undertaking a new national communications campaign to signpost help for vulnerable people at risk of domestic abuse and show them where to access services.
- The Home Secretary also announced that an additional £2 million is being provided to enhance online support services and helplines.

- Mr Hewitt stated that there has been a 21% fall in overall crime rates in the last four weeks compared the same period last year.
- On the issue of enforcement, Mr Hewitt confirmed that the police will be publishing data fortnightly from now on. He added that as of April 8th, a total of 1,084 fines had been issued to those breaking Government guidelines.
- Providing a medical update, Professor Powis said that there has been a slight levelling off in the number of new cases in recent days, which was a direct result of the public following Government guidance.
- He added that adherence to guidance is beginning to translate into a stabilisation of hospital admissions, with the latest data showing the first signs of a flattening of the curve. While death rates remain high, Professor Powis said that this is not unexpected and will be the final aspect to decrease.

Friday

- Friday's daily briefing was delivered by the Secretary of State for Health and Social Care, Matt Hancock, supported by Ruth May, the Chief Nursing Officer for England and Professor Jonathan Van-Tam, Deputy Chief Medical Officer for England.
- Hancock addressed the Government's actions to ensure that frontline NHS staff and care workers can access Personal Protective Equipment (PPE) in the quantities required in order to treat those with the virus. To meet the present challenges, Hancock unveiled the Government's new 'PPE Plan.'
- Hancock highlighted the "Herculean" effort underway to create a PPE logistics network for the UK from scratch, pledging to ensure that all hospitals will shortly receive PPE deliveries every day as opposed to the current average of every 72 hours.
- Hancock also announced that the Government will shortly roll out a new online portal so that frontline healthcare workers can flag when supplies are running low and make priority requests for more equipment.
- Hancock issued a direct call to UK manufacturers to make facilities available to help in domestic production.
- Hancock reassured the public that at this stage of the crisis, no part of the NHS has yet been overwhelmed. NHS bed capacity is also increasing at a rate greater than the demand.
- Hancock also stressed that the Government is functioning "very efficiently and effectively" despite the incapacitation of the Prime Minister and that the Government's SAGE group will meet next week to review the data and to make a decision as to whether to extend the UK's lockdown period, the confirmation of which is now widely anticipated.
- Questioned on Government analysis of the economic impact of the crisis and how this might translate into a spike in non-Covid-19 related deaths, Hancock conceded that he has "worried about this a lot." He said that the Government does not yet have an established estimate for the correlation between the impact on economic and public. Hancock claimed that he was currently working with the Chancellor on the matter and is "very alive to this issue."
- Professor Van-Tam delivered his analysis of the current statistical picture. Van-Tam claimed that the UK is currently in "a dangerous phase" and that "we have to keep pushing as a nation... to make the gain in a few weeks' time." Van-Tam emphasised that the UK is currently matching the viral trends seen in other countries, though the statistical curve was "beginning to bend."
- When asked about the Government's approach to not closing the UK's borders and to the usage of facemasks, in both instances, Van-Tam stressed the UK's 'science-based' approach that suggests that usage of either factor would not have a significant effect in mitigating the viral spread.

Summary of UK COVID-19 Business support schemes

The UK Government has announced a series of economic interventions aimed at supporting employees, employers and businesses through the uncertainty and potential loss of income resulting from the Covid-19 crisis and the restrictions on business activity as a result.

The Government has established a business support [web portal](#) with details on eligibility and how businesses can apply for support. A summary of those measures is listed below.

Please see overleaf.

Summary of UK COVID-19 Business Support Schemes

Employment Retention Measures

- **COVID-19 Job Retention Scheme:** Employers can claim 80% of their usual monthly wage costs for furloughed employees, limited to £2,500 per individual, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. The temporary scheme will be open to all UK employers for at least three months, backdated to 1st March 2020. The scheme is expected to be operational by the end of April. Statutory
- **Statutory Sick Pay Rebate:** The Government will refund eligible SSP costs to all employers with fewer than 250 employees. This applies to a claim as a result of COVID-19 self-isolation and is limited to two weeks per employee. While existing systems are not designed to facilitate such employer refunds for SSP, the Government will work with employers to set up a repayment mechanism as soon as possible.
- **Self-employed Income Support Scheme:** Most self-employed workers will be able to apply for a grant of up to 80% of average monthly profits from the last three years, capped at a maximum of £2,500 per month. The scheme will cover three months' earnings with the first lump sum payments anticipated in June. The scheme will be open to those with trading profits of up to £50,000 in 2018-2019 or an average annual trading profit of up to £50,000 from 2016-17, 2017-18 and 2018-19. At least half of a claimants' income must come from self-employment.

Bridging Loans to Mitigate Business Disruption

- **COVID-19 Commercial Financing Facility:** The Bank of England's Covid-19 Commercial Financing Facility is intended to support large companies of investment grade standing. Loans, through the purchase of commercial paper of up to one-year maturity, will be provided to support short term liquidity, mitigating against cashflow disruption. The scheme has been extended to include those businesses that are too large to qualify for the Coronavirus Business Interruption Loan Scheme (see below) but do not have an investment-grade rating. This will be achieved by constructing a credit rating from information about firms' relationships with their banks.
- **Coronavirus Business Interruption Loan Scheme:** To support small business access to bank lending and overdrafts, the Government is guaranteeing 80% on loans provided through the scheme, up to an individual value of £5m (subject to a per lender cap on claims). Most UK businesses with turnover of under £41 million will be eligible. The scheme is being facilitated by the British Business Bank through participating partners (which includes most high street banks). For borrowers, no interest will be charged for the first twelve months of the loan, which will be paid by the Government. The Government will not charge businesses or banks for this guarantee. As of April 3, the Government has extended the scheme so that all viable small businesses affected by COVID-19, and not just those unable to secure regular commercial financing, will now be eligible should they need finance to remain operational.
- **Coronavirus Large Business Interruption Loan Scheme:** The Large Business Interruption Loan Scheme will provide a government guarantee of 80% to enable banks to offer loans of up to £25 million to firms with an annual turnover of between £45 million and £500 million. This is intended to give banks the confidence to lend to more businesses which are impacted by coronavirus. Loans backed by a guarantee under CLBILS will be offered at commercial rates of interest and further details of the scheme will be announced later this month.
- **Bank of England Term Funding Scheme:** The Bank of England has introduced a new Term Funding Scheme with additional incentives for Small businesses financed by the issuance of central bank reserves. Over the next 12 months, the scheme will offer four-year funding of at least 5% of participants' stock at interest rates at, or very close to, Bank Rate.

Employment Retention Measures

- **COVID-19 Job Retention Scheme:** All employers, regardless of size or sector, will be able to apply for grants to cover 80% of furloughed employees salaries, up to a limit of £2,500 per individual, per month. HMRC are working to roll the scheme out before end April. Scheme will be sustained for at least three months with option to extend. There is no limit on funding for the scheme.
- **Statutory Sick Pay Refunds:** The Government will refund eligible SSP costs to all employers with fewer than 250 employees. This applies to a claim as a result of COVID-19 self-isolation and is limited to two weeks per employee. While existing systems are not designed to facilitate such employer refunds for SSP, the Government will work with employers to set up a repayment mechanism as soon as possible.

Bridging Loans to Mitigate Business Disruption

- **COVID-19 Commercial Financing Facility:** The Bank of England's new COVID-19 Commercial Financing Facility is intended to support large companies deemed to be of investment grade standing. Loans, through the purchase of commercial paper of up to one year maturity, will support short term liquidity by mitigating against cashflow disruption.
- **Coronavirus Business Interruption Loan Scheme:** To support small business access to bank lending and overdrafts, the Government is guaranteeing 80% on loans provided through a scheme up to an individual value of £5m (subject to a per lender cap on claims). Most UK businesses with turnover of below £41 million will be eligible. The scheme will be facilitated by the British

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Business Bank through participating partners (which includes most high street banks) and will begin from 23rd March. For borrowers, no interest will be charged for the first twelve months of the loan, which will be paid by the Government. The Government will not charge businesses or banks for this guarantee.

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Grant Funding measures

- **Grant Funding for Businesses who qualify for SBRR:** Individual grants of £10,000 will be made available through local authorities to businesses eligible for Small Business Rate Relief (SBRR) that already pay little or no business rates.

Tax Relief Measures

- **VAT Deferral:** The Government will defer VAT payment demands for the next quarter, meaning that no business will pay any VAT until the end of June. Businesses will have until the end of the year to reconcile any accumulated tax debts.
- **Support for Businesses Paying Tax:** HMRC have established a dedicated COVID-19 helpline to support businesses and self-employed individuals unable to meet tax demands due to Coronavirus related disruption. Bespoke Time to Pay arrangements will be offered to those businesses with a legitimate need and support their recovery while operating through any temporary financial challenges. HMRC will also waive late payment penalties and interest where a business experiences administrative difficulty due to COVID-19.
- **Deferral of Self-Assessment Payment:** Income tax payments on account due under Self-Assessment on 31st July 2020 will be deferred until 31st January 2021. All self-employed individuals will be eligible.

Sector-Specific Support Measures

- **Retail and Hospitality Grant Scheme:** A cash grant of up to £25,000 will be made available to businesses in England operating in the retail, hospitality and leisure sectors with a rateable value of between £15,000 and £51,000. For businesses in these sectors with a rateable value of under £15,000, they will receive a grant of £10,000.
- **Business Rate Relief for Retail/Hospitality/Leisure venues:** A 100% business rates holiday will be applied from 1st April for a period of one year to all retail, hospitality and leisure venue, including shops, pubs, restaurants and theatres. There is no limit to rateable values.
- **Business Rate Holiday for Nurseries:** Nurseries in England will not have to pay business rates for the 2020-21 tax year. This will apply to properties that are occupied by providers on the Government's Early Years Register and are wholly or mainly used for the provision of nursery education.
- **Supermarket Competition Law:** To address a spike in public demand, the Government has waived a selection of competition laws to allow supermarkets and food retailers to coordinate operations such as opening times, product resources and the pooling of staff.

Other

- **Extension period on filing accounts:** Businesses can apply for an additional three months to file accounts with Companies House to help avoid penalties as they deal with the impact of Covid-19. Applications can be made through a fast-track online system.
- **Business Interruption Insurance:** The Government has confirmed that the business impact of government advice restricting individuals' movements – and the knock-on impact on their financial activity – provides sufficient grounds for businesses to claim on their insurance where they have appropriate business interruption cover in place.
- **Protection for Commercial Tenants:** The Government has guaranteed that commercial tenants who are unable to pay their rent because of the COVID-19 outbreak will be protected from eviction. The measure applies for the next three months and is intended to support ongoing conversations between landlords and tenants about their arrangements.
- **Flexible Insolvency Rules:** Changes will include allowing businesses undergoing restructuring to continue trading and receive supplies. There will also be a temporary suspension of wrongful trading provisions for company directors to remove the threat of personal liability, which will apply retrospectively from 1st March.
- **Gender Pay Gap Reporting Suspension:** The UK Government has now also suspended enforcement of gender pay gap reporting deadlines for this reporting year (2019/20). "This decision means there will be no expectation on employers to report their data."

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