

Chancellor announces additional support to protect businesses

This includes unlimited loans and guarantees to support firms and help them manage cashflows through this period. The Chancellor will make available an initial £330 billion of guarantees – equivalent to 15% of UK GDP.

At last week's Budget, the Chancellor provided £30 billion of support to the economy to deal with the crisis by investing in public services, increasing support for vulnerable people and providing business with tax reliefs and loans.

He said he would take further action as the situation evolved and today outlines further measures including:

To ensure that businesses have access to the funds they need, we are providing:

- support for liquidity amongst large firms, with a major new scheme being launched by the Bank of England to help them bridge Coronavirus disruption to their cash flows through loans
- increasing the amount businesses can borrow through the Coronavirus Business Interruption Loan Scheme from £1.2 million to £5 million, and ensuring businesses can access the first 6 months of that finance interest free, as Government will cover the first 6 months of interest payments
- including new legal powers in the Covid Bill enabling us to offer whatever further financial support we think necessary to businesses

Providing £20 billion of business rates support and grant funding to help the most-affected firms manage their cashflow through this period by:

- giving all retail, hospitality and leisure businesses in England a 100% business rates holiday for the next 12 months
- increasing grants to small businesses eligible for Small Business Rate Relief from £3,000 to £10,000
- providing further £25,000 grants to retail, hospitality and leisure businesses operating from smaller premises, with a rateable value over £15,000 and below £51,000

Mortgage lenders have agreed they will support customers that are experiencing issues with their finances as a result of Covid-19, including through payment holidays of up to 3 months. This will give people the necessary time to recover and ensure they do not have to pay a penny towards their mortgage in the interim.

Confirmation that government advice to avoid pubs, clubs and theatres etc. is sufficient for businesses to claim on their insurance where they have appropriate business interruption cover for pandemics in place.

To support the food industry and help provide meals for people who need to self-isolate, we will relax planning regulations to allow pubs and restaurants to start providing takeaways without a planning application.

The Chancellor of the Exchequer Rishi Sunak said:

We will do whatever it takes to protect our people and businesses from the effects of this global economic emergency brought on by the Coronavirus pandemic.

The interventions I am setting out today will help support businesses of all sizes – so they can continue operating during these unprecedented times.

The action announced today means that over £3.5 billion in additional funding will be provided to the devolved administrations for support to businesses in Scotland, Wales and Northern Ireland.