

Government Financial Support for the Self-Employed and Small Businesses

I have received this answer to my recent Parliamentary Question:

Question:

To ask the Chancellor of the Exchequer, if he will increase the Government's financial support for (a) self employed and (b) small businesses during the covid-19 lockdown. (41870)

Tabled on: 01 May 2020

Answer:

Kemi Badenoch:

On April 27 the Government announced the new Bounce Back Loans (BBL) Scheme, which will ensure that the smallest businesses can access loans in a matter of just days. These loans will be from £2,000 up to £50,000, capped at 25% of firms' turnover. The Government will provide lenders with a 100% guarantee on each loan, to give lenders the confidence they need to support the smallest businesses in the country. The Government will cover the first 12 months of interest payments and fees charged to the business by the lender.

Small businesses may also be able to benefit from the new Discretionary Grant Fund announced by the Government on 1 May. The Government has provided up to an additional £617m for Local Authorities in England to enable them to make grants payments to businesses which are facing high fixed property-related costs, but have been excluded from the existing grants schemes because of the way they are treated by the business rates system. Local Authorities are responsible for defining precise eligibility for these funds, and businesses will need to apply to their Local Authority in order to receive grants.

Businesses and self-employed individuals may also benefit from a range of other support measures including:

- The Self-Employment Income Support Scheme (SEISS)
- A 12-month business rates holiday for all eligible retail, leisure and hospitality businesses in England
- Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief;
- The Coronavirus Business Interruption Loan Scheme (CBILS)
- VAT deferral for up to 12 months
- The Time To Pay scheme, through which businesses and self-employed individuals in financial distress, and with outstanding tax liabilities, can receive support with their tax affairs
- Protection for commercial leaseholders against automatic forfeiture for non-payment until June 30, 2020

The Business Support website provides further information about how

businesses can access the support that has been made available, who is eligible, when the schemes open and how to apply – <https://www.businesssupport.gov.uk/coronavirus-business-support>.