

# **Council Briefing Note**

# from The Rt Hon SIr Greg Knight MP

March 2020

I am writing to you in your capacity as clerk of your Council, to give you some information on the subject of COVID-19, which I hope is useful to your council.

This is a difficult time for everyone, and some local residents may contact you with a multitude of problems, so this is a letter to outline central government's response so far.

# Support for individuals who are isolating

If you are self-isolating, either because you are vulnerable or because you are infected with coronavirus, you should not leave the house. In order to get essential supplies such as food, you should try to order online. However, some supermarkets that are busy may not be offering delivery slots. However, supermarkets are not the only source of food deliveries and some local shops are now offering this service and we should all try to support them.

If you have family or friends in the area, you could ask them to help.

East Riding of Yorkshire Council has launched a dedicated helpline for those who need assistance or support while self-isolating. You can find their contact information below:

Email Address: covid@eastriding.gov.uk

Phone number: 01482 393919

Please ask others to take care when asking someone they do not know for help, because fraudsters are exploiting coronavirus to scam vulnerable people. It is worth consulting this document to protect from scams:

https://www.ageuk.org.uk/globalassets/age-uk/documents/information-guides/ageukig05 avoiding scams inf.pdf

# **Support for business**

So far, the government has announced £330 billion of guarantees, so any business who needs access to cash to pay their rent, the salaries of employees, pay suppliers or purchase stock, should be able to access a government-backed loan.

The government has also announced a series of grants for small businesses.

Retail, hospitality and leisure businesses operating from smaller premises, with a rateable value between £15,000 and £51,000, are eligible for a £25,000 grant. Businesses currently eligible for Small Business Rate Relief or Rural Rate Relief will also receive a one-off grant of £10,000.

Furthermore, businesses will also benefit from tax cuts worth nearly £20 billion. All businesses in the retail, hospitality and leisure sectors have been made exempt from business rates for 12 months. If your business is having trouble paying tax, you may be eligible to receive support through HMRC's

Time to Pay service. For further information on this service, you can call HMRC's dedicated COVID-19 helpline on 0800 0159 559.

Further details on all these arrangements, including how to claim grants and loans, can be found here:

https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses

#### **Enforced business closures**

In an effort to slow the spread of coronavirus, the government has announced that many businesses, including restaurants, pubs and non-essential retailers, must close. You can find full details of which businesses must close here:

https://www.gov.uk/government/publications/further-businesses-and-premises-to-close/further-businesses-and-premises-to-close-guidance

The above document also lists businesses which are exceptions to these rules. Any business which isn't ordered to close may remain open. However, they are strongly advised to observe social distancing rules, such as employees, remaining at least two metres apart.

Tradespeople and those with similar jobs, such as cleaners, may keep working, so long as they observe social distancing guidelines. They should try to avoid handling cash and should stay at least two metres away from other people.

**Advice and mandatory rules may change,** so please keep up to date with the latest health advice at the NHS website:

https://www.nhs.uk/conditions/coronavirus-covid-19/

If you need any further advice about businesses, you can also contact the Business Support Helpline:

https://www.gov.uk/business-support-helpline

# **Support for employees**

As you probably know, the government has announced extensive measures to support businesses and employees. Eligibility for these various benefits depends on the nature of the employment. You can find full details of the help that the government is offering workers here:

https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-guidance-for-employees

More general information about the government's response to COVID-19 is available here:

#### https://www.gov.uk/coronavirus

It's important to note that all employees who are on PAYE are eligible for the Coronavirus Job Retention Scheme, including those on zero-hours contracts.

# Support for self-employed

The self-employed will now be eligible for a new Self Employment Income Support Scheme (SEISS). This will support the self-employed whose income has fallen temporarily due to COVID-19.

The Scheme will provide further additional support to the self-employed across the whole of the UK and is expected to help millions of individuals. This Scheme has been developed at a rapid pace to

get support to the self-employed as soon as possible and overcome the very challenging operational difficulties in establishing such unprecedented further support for this group.

The Scheme will provide taxable grants to self-employed individuals, including members of trading partnerships, worth 80% of their trading or partnership profits up to a maximum cap of £2,500 per month. The Scheme will cover three months of an individual's typical profits, so an individual could receive up to £7,500. HMRC will use the average annual profits from eligible individuals' tax returns for 2016-17, 2017-18 and 2018-19 to determine the size of the grant for each person.

The government want to ensure that this Scheme provides targeted support for those who most need it to ensure it is fair. Reflecting this, individuals will be eligible to claim a grant if they:

- have lost trading profits/partnership trading profits due to COVID-19;
- have filed a tax return for 2018-19 as self-employed or a member of a trading partnership, although we will make special provision for those who have not filed their return for 2018-19;
- have trading profits of less than £50,000 and more than half of their total income comes from selfemployment. The individual will qualify on this criterion if at least one of the two following conditions applies:
- -an individual's trading profits in 2018-19 were less than £50,000 and more than half their total income in 2018-19 came from self-employment
- -the average of individual's trading profits across the three years 2016-17, 2017-18, and 2018-19 were less than £50,000, and more than half their total income in those three years came from self-employment

These criteria reduce the opportunity for abuse of the Scheme and ensure those who rely primarily on their trading profits from self-employment receive support. These individuals must be the priority for any taxpayer-funded help to deal with sharply reduced income over the next few months. 95% of people who receive the majority of their income from self-employment are eligible for this Scheme.

Once the Scheme is operational, HMRC will use existing information to check potential eligibility and invite applications. Eligible individuals will use a simple online form to verify their eligibility. HMRC will then pay a single lump sum grant covering all 3 months straight into the individual's bank account.

The grants are subject to Income Tax and National Insurance so will then be reportable on future Income Tax Self Assessment tax returns.

HMRC has published further guidance on GOV.UK at <a href="www.gov.uk/guidance/claim-agrant-through-the-coronavirus-covid-19-self-employment-income-support-scheme">www.gov.uk/guidance/claim-agrant-through-the-coronavirus-covid-19-self-employment-income-support-scheme</a>

The factsheet is available at <a href="https://www.gov.uk/government/publications/support-for-those-affected-by-covid-19">www.gov.uk/government/publications/support-for-those-affected-by-covid-19</a>

BEIS have also developed guidance specifically for employers and businesses at <a href="https://www.businesssupport.gov.uk/coronavirus-business-support/">www.businesssupport.gov.uk/coronavirus-business-support/</a>

# **Caravanners and holidaymakers**

The government issued new instructions on 23<sup>rd</sup> March 2020, which outlined further businesses which must close. This includes hotels, pubs, and holiday parks. Furthermore, the government has ordered people to stay at home, unless absolutely necessary. Therefore, there should be very few people in caravan parks and similar areas, and hopefully from now on you should not see an abundance of holidaymakers out and about during this crisis.

There are, however, exceptions. Where someone is living in a caravan park because it is their primary residence, or because another primary residence is unavailable, then they are legally allowed to stay. This is why some caravan parks and similar sites across the East Riding may not be closed completely. Someone who is staying in a caravan or lodge therefore on such a long-term basis CAN CONTINUE TO DO SO.

#### **Renters**

The government has listened to the concerns of private renters and is taking measures to ensure that no one will be forced out of their home by their landlord in this difficult time. The government is introducing emergency legislation so that no landlord will be able to start proceedings to evict tenants for at least a three month period. The matter will be kept under review and further announcements may be made in the light of developing events.

# **Emergency Legislation**

The government is doing what it feels it must to stop the spread of this horrible infection. You can see details of the Act's provisions on the gov.uk website:

https://www.gov.uk/government/publications/coronavirus-bill-what-it-will-do

Parliament has fully supported the government in fighting this pandemic.

So far as emergency powers are concerned, the Act has what is called a "sunset clause" of two years, but, at the request of Parliament, the government amended the bill so it will be reviewed every six months.

Because of this, the emergency measures being introduced will not last longer than necessary and will not be open to longer-term abuse.

I am aware that that the provisions of this act are far-reaching and unprecedented. However, the government feels the current pandemic is a unique situation which requires drastic -but temporary-changes to the law.

# Please note that the best place to keep up to date with the latest health advice is the NHS website:

https://www.nhs.uk/conditions/coronavirus-covid-19/

I hope these measures will help local East Riding residents through this difficult time. If anyone seeks further guidance or advice, you can use the contents of this email, or if you or they have any further concerns, please contact me.

Sir Greg Knight MP - Telephone enquiries call 01377 812123 or 020 7219 4077.

If sending an email, please write to <u>secretary@gregknight.com</u>

or, you can write to: The Rt Hon Sir Greg Knight House of Commons, London SW1A oAA



Yours sincerely,