



LRF Communications Briefing – Covid19

25 September 2020

LRFBIZ V37– ECONOMIC RECOVERY VERSION

Headline Updates

Chancellor's Winter Economy Statement Highlights

The Chancellor Rishi Sunak has outlined additional government support to provide certainty to businesses and workers impacted by coronavirus across the UK. The Chancellor announced a package of measures that will continue to protect jobs and help businesses through the uncertain months ahead as we continue to tackle the spread of the virus.

The package includes a new Jobs Support Scheme to protect millions of returning workers, extending the Self Employment Income Support Scheme and 15% VAT cut for the hospitality and tourism sectors, and help for businesses in repaying government-backed loans

Chancellor's Support to Business in Summary

- From the 1st November and lasting for 6 months, the Job Support Scheme will open. It will protect viable jobs in businesses who are facing lower demand due to the pandemic. To be eligible employees must work a minimum of 33% of their hours. Employers will continue to pay the wages of staff for the hours they work, but for the hours not worked, the government and the employer will pay one third of their equivalent salary. All employers will be allowed to apply, even if they did not use the furlough scheme. **This will only apply to small and medium sized enterprises. Larger employers will only be covered if their turnover has gone down.**
- The Self Employment Income Support Scheme extension will support viable traders who are facing reduced demand over the winter months, covering 20% of average monthly trading profits via a government grant
- Businesses who have borrowed under the Bounce Back Loan Scheme will be offered the choice of more time and greater flexibility for their repayments .
- Lenders have been enabled to offer coronavirus business interruption loan schemes borrowers more time to make their repayments where needed. The application for all coronavirus loan schemes has extended to 30 November.
- Businesses who deferred their VAT will no longer have to pay a lump sum at the end of March 2021 and can instead split it into smaller interest free payments over the course of 11 months.
- The 15% VAT cut for the tourism and hospitality sectors has been extended to the end of March 2021.

HM Treasury #WINTERECONOMYPLAN

JOB SUPPORT SCHEME

6 month scheme, starting 1 Nov

To be eligible employees work a minimum of 33% of their hours

For remaining hours not worked, the government and employer pay 1/3 wages each

So employees working 33% of their hours will receive at least 77% of their pay

■ PAID BY EMPLOYER
■ PAID BY GOVERNMENT

AN EMPLOYEE WORKING 33% OF THEIR NORMAL HOURS WOULD RECEIVE 77% OF THEIR PAY

55% 22%

Fixed Key Messaging

- Visit [Business Lincolnshire](#) for continued support to your business
- View the Government Covid-secure guidance by sector [here](#)
- Click [here](#) if you can provide Covid-19 testing capacity.
- Feed business impacts into [Business Intelligence](#)

The Lincolnshire Resilience Forum has created a Recovery Comms Cell made up of county and district councils, NHS, and LEP/ Business Lincolnshire leads to ensure consistency of key messaging. This is not intended as a comprehensive list but to update on new and key messages relevant to economic recovery. Follow and tag @ [twitter LRF](#) [twitter LEP](#) [twitter Business Lincolnshire](#)

CONTACT THE TEAM – IF YOU NEED ANY HELP OR ASSISTANCE PLEASE DO NOT HESITATE TO CONTACT A MEMBER OF OUR TEAM						
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