Coronavirus (COVID-19) Business and Employers Bulletin – 4 March 2021

This bulletin is issued by the Department for Business, Energy and Industrial Strategy and provides the latest information for employers and businesses on coronavirus (COVID-19). All coronavirus business support information can be found at gov.uk/business-support

- A message from Business Secretary, Rt Hon Kwasi Kwarteng MP, following the Budget announcement
- BUDGET 2021: Protecting the jobs and livelihoods of the British people
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A message from Business Secretary, Rt Hon Kwasi Kwarteng MP, following the Budget announcement

"Yesterday the Government has delivered an optimistic vision for the future of the British economy, providing certainty on the back of wide-ranging measures that build on our extensive support for workers and businesses across the UK at this difficult and unprecedented time."

"The Budget delivers on our commitment to support businesses through the pandemic and level up every corner of the UK, supporting jobs through the extension of the Job Retention Scheme and the Self-Employment Income Support Scheme, as well as the continuation of business rate holidays and VAT cuts for disrupted businesses and the new ‘Help to Grow’ scheme to help 130,000 small and medium businesses build back better."
The Chancellor of the Exchequer, the Rt Hon Rishi Sunak MP, presented his Budget to Parliament on Wednesday 3 March 2021. The three-point plan to protect jobs and strengthen public finances announced:

- billions to support businesses and families through the pandemic;
- investment-led recovery as UK emerges from lockdown;
- future changes to strengthen public finances.

Measures announced in the Budget include:

- An extension of the Coronavirus Job Retention Scheme to September 2021 across the UK. Employers will be expected to pay 10% towards the hours their staff do not work in July, increasing to 20% in August and September, as the economy reopens.
- An extension of the UK-wide Self Employment Income Support scheme to September 2021, with 600,000 more personal who filed a tax return in 2019-20 now able to claim for the first time.
- £5 billion for new Restart Grants – a one off cash grant of up to £18,000 for hospitality, accommodation, leisure, personal care and gym businesses in England.
- A new UK-wide Recovery Loan Scheme to make available loans between £25,001 and £10 million, and asset and invoice finance between £1,000 and £10 million, to help businesses of all sizes through the next stage of recovery.
- Extension to the VAT cut to 5%, for hospitality, accommodation and attractions across the UK until the end of September, followed by a 12.5% rate for a further six months until 31 March 2022.
- 750,000 eligible businesses in the retail, hospitality and leisure sectors in England will benefit from business rates relief to continue for three months to the end of June. For the nine months after, the rate will be 66 per cent.
- An extension to the temporary cut in Stamp Duty Land Tax in England and Northern Ireland until September will support the housing market and protect and create jobs.
- A new mortgage guarantee scheme will enable all UK homebuyers secure a mortgage up to £600,000 with a 5% deposit.
- Extension of the apprenticeship hiring incentive in England to September 2021, and an increase of payment to £3,000.
- £7 million for a new “flexi-job” apprenticeship programme in England, that will enable apprentices to work with a number of employers in one sector.
- Additional £126 million for 40,000 more traineeships in England, funding high quality work placements and training for 16-24 year olds in 2021/22 academic year.
- Small and medium-sized employers in the UK will continue to be able to reclaim up to two weeks of eligible Statutory Sick Pay (SSP) costs per employee from the Government.
- To further support the cashflow of businesses, the government is extending the loss carry back rules worth up to £760,000 per company.
- The rate of Corporation Tax will increase to 25%, which will remain the lowest rate in the G7. In order to support the recovery, the increase will not take effect until 2023. Businesses with profits of £50,000 or less, around 70% of actively trading companies, will continue to be taxed at 19%, and a taper above £50,000 will be introduced, so that only businesses with profits greater than £250,000 will be taxed at the full 25% rate.
- Beginning April 2021, the new super-deduction capital allowance will cut companies’ tax bill by 25p for every pound they invest in new equipment.
- Fuel duty and alcohol duties will be frozen.
- Eight new English Freeports will be based in East Midlands Airport, Felixstowe & Harwich, Humber, Liverpool City Region, Plymouth, Solent, Thames and Teesside.
- The £375 million UK-wide ‘Future Fund: Breakthrough’ will invest in highly innovative companies, such as those working in life sciences, quantum computing, or clean tech, that are aiming to raise at least £20 million of funding.
- **Reforms to the immigration system** will help ambitious UK businesses attract the brightest and best international talent.
- **A new Help to Grow scheme**, to offer up to 130,000 companies across the UK, a digital and management boost.
- **Build Back Better: our plan for growth** sets out the Government’s plans to support growth through significant investment in infrastructure, skills and innovation, and to pursue growth that levels up every part of the UK, enables the transition to net zero, and supports our vision for Global Britain.

All Budget 2021 documents can be found [here](#).

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### Coronavirus testing

#### Sector and workplace guidance

**Letter to businesses on workplace testing:** This [letter](#) from the Business Secretary Kwasi Kwarteng encourages businesses to test their staff for COVID-19 by registering for free testing kits provided by the government. These tests are for staff who cannot currently work from home. Only businesses registered in England can register for free testing.

**Testing guidance for employers:** Guidance for employers and third-party healthcare providers on the regulations and legal obligations of running testing programmes has been updated to reflect the ongoing evolution of private-sector testing.

**Essential workers prioritised for COVID-19 testing:** A list of essential workers prioritised for PCR testing for coronavirus is available [here](#).

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**Reopening businesses and venues in England:** [NEW Guidance](#) details the steps to reopen certain businesses and venues in England.

**Restricting workforce movement between care homes and other care settings:** [NEW guidance](#) for care home providers on limiting staff movement between settings in all but exceptional circumstances to help reduce the spread of coronavirus infection.

**Safety screens for taxis and PHVs:** [NEW guidance](#) provides advice for drivers, operators and owners of taxis or private hire vehicles (PHVs) who choose to fit a screen or barrier to their vehicle(s) to reduce the spread of coronavirus.

**Global travel taskforce:** The [Global Travel Taskforce](#) is charged with exploring safe and secure ways to restart international travel when the time is right. The taskforce will provide a report to the Prime Minister on 12 April, which will be used to help determine when and how to resume safe international travel no earlier than 17 May 2021.

**Safe working in education, childcare and children’s social care:** Guidance has been updated to include changes to the system of controls.

**Cyber Aware Campaign:** The National Cyber Security Centre have launched a self-assessment tool to help sole traders and micro businesses check how safe they are from cyber threats, and to give advice on areas of improvement. To use the [toolkit](#) and for more information visit [CyberAware.gov.uk](#).
New video content to help keep your business moving

Doing business with Europe has changed. You need to follow new rules on exports, imports, tariffs, data and hiring.

All businesses can find out what has changed, and check their preparations, by visiting new video content from the Department for Business, Energy and Industrial Strategy. The short, on-demand videos cover 18 topics, including importing and exporting, rules of origin and audit and accounting. Click here to immediately access the video content. New rules are here – make sure your business is prepared.

Updated guidance

Coronavirus Job Retention Scheme:
- The scheme has been extended until 30 September 2021. From 1 July 2021, the level of grant will be reduced each month and employers will be asked to contribute towards the cost of furloughed employees’ wages. Find out more about the changes.
- Claims for furlough days in February 2021 must be made by 15 March 2021.
- Guidance has been updated with information about how employees can use their personal tax account to see if they were included in any December 2020 claims.

Update on Kickstart Scheme Grant: Guidance has been updated with information about what employers should spend the £1,500 funding for setup costs on and with information about what to do if a young person leaves their job placement early.

Self-Assessment Payments – Time to Pay: Guidance has been updated to show you can set up a Time to Pay arrangement online for amounts up to £30,000 up to 60 days after 31 January 2021 without having to contact HMRC.

Companies House to resume voluntary and compulsory strike off: Following a temporary pause, Companies House will resume strike off processes from 8 March 2021.

Other useful links

Some aspects of business support are devolved. Specific information for businesses and employers in Northern Ireland, Scotland and Wales is available. In England, Growth Hubs can advise on local and UK Government business support. You can also find helpful business case studies and other useful information on the Coronavirus Business Support Blog.