



# UK Government Coronavirus update

All of the key coronavirus news and guidance in one weekly legal update

Issue 4, 24 April 2020

**Government pledges extra £1.6 billion for councils:** Councils across England will receive another £1.6 billion in additional funding to help them to deal with the immediate impacts of coronavirus, the Local Government Secretary announced on 18 April 2020. This extra £1.6 billion takes the total given to councils to help their communities through this crisis to over £3.2 billion. The announcement follows warnings numerous councils could be at risk of issuing section 114 notices, effectively declaring themselves bankrupt, without more additional funding.

**Councils given greater financial relief against cash flow pressures:** Councils will be allowed to defer £2.6 billion in business rates payments to central government, and £850 million in social care grants will be paid up front in April 2020 in a move to give councils greater financial relief during the coronavirus outbreak.

**Approaches to managing licensing and related issues during the COVID-19 pandemic: advice for licensing authorities:** This note provides a summary of issues councils' licensing teams and others have raised with the Local Government Association and outlines how these could be managed based on a set of key principles and examples of councils are already doing in response. It covers different areas of licensing including the Licensing Act, taxis, gambling, animal establishments and scrap metal, the guide aims to promote consistent approaches by licensing authorities.

**Coronavirus Large Business Interruption Loan Scheme (CLBILS):** On Monday 20 April, the [British Business Bank](#) launched a financial support package for medium-sized and large companies. CLBILS will provide financial support to mid-sized and larger businesses across the UK that are losing revenue, and seeing their cashflow disrupted, as a result of the COVID-19 outbreak. On [16 April](#), the Government announced that CLBILS had been expanded to cover all viable firms. Therefore, all firms with a turnover of more than £45 million will now be able to apply for up to £25 million of finance, and up to £50 million for firms with a turnover of more than £250 million. Please find [government guidance on applying for CLBILS here](#).

**The Future Fund:** The Future Fund will be launched in May 2020 and will provide government loans to UK-based companies ranging from £125,000 to £5 million, subject to at least equal match funding from private investors. These convertible loans may be a suitable option for businesses that rely on equity investment and are unable to access the Coronavirus Business Interruption Loan Scheme. The scheme will be delivered in partnership with the British Business Bank.

**Procurement Policy Note 02/20: Supplier relief due to COVID-19 – FAQs updated:** This Procurement Policy Note sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak. The FAQs have recently been updated on 17 April 2020. A [new addendum](#) has also been published in respect of construction projects and the proposed variation to be used in such arrangements.

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## **New measures to protect UK high street from aggressive rent collection and closure:**

High street shops and other companies under strain will be protected from aggressive rent collection and asked to pay what they can during the coronavirus pandemic. The UK Government will introduce temporary new measures to safeguard the UK high street against aggressive debt recovery actions, statutory demands and winding up petitions issued to commercial tenants to be temporarily voided and changes are to be made to the use of Commercial Rent Arrears Recovery. Landlords and investors are also asked to work collaboratively with high street businesses unable to pay their bills during COVID-19 pandemic.

## **Coronavirus Job Retention Scheme: Fifth version of guidance published as online**

**portal goes live:** As the Coronavirus Job Retention Scheme ("CJRS") is extended to the end of June, on 17 April 2020 the government published a further update to the CJRS [guidance](#).

**Councils face legal action over access to education during lockdown:** The Good Law Project is expected to launch a test case under the Education Act 1996 s.19 against the London Borough of Southwark over access to education by children from low income families during the coronavirus lockdown. If successful it has plans for a "second wave" of actions against other councils who it believes have not made provision for children from lower income households to have adequate access to a device or connectivity at home. The group hopes the case will be taken forward urgently, and determined in time for the start of the summer term on 20 April 2020.

## **Coronavirus: letter to local authorities to work with faith groups and funeral directors:**

Letter from Local Government Minister Simon Clarke to all local authorities in England to work with faith groups and funeral directors to develop safe, sensitive and innovative ways for funerals to take place. See also [guidance on contingency measures needed by local authorities in managing funerals](#) and [updated guidance to support the safe management of funerals](#).

## **Coronavirus testing extended to all essential workers in England who have symptoms:**

All essential workers in England and members of their households who are showing symptoms of coronavirus will now be able to get tested. [An updated list of essential workers can be found here](#).

**Councils given flexibility with free childcare funding:** Councils can move free entitlements funding between settings in exceptional cases to meet demand during Coronavirus outbreak.

## **Wales**

**Economic Resilience Fund applications process opens:** Applications can now be made for support from the second phase of the Welsh Government's £500 million Economic Resilience Fund.

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**Tax reliefs and support to businesses in Wales:** In addition to the relief provided by the UK Government, the Welsh Government has announced financial support in the sum of £1.9 billion to assist businesses and workers in Wales to deal with the impact of COVID-19.

**Welsh council staff will be deployed for Covid-19 contact tracing:** First minister, Mark Drakeford, confirmed that public health and environmental health officers would be mobilised to help control the spread of the virus once lockdown restrictions are lifted.

## Scotland

**UK Government confirms an additional £155 million for Scotland:** Scotland will receive an additional £155 million in funding from the UK Government to help tackle coronavirus.

**Tax reliefs and support to businesses in Scotland:** The Scottish government has announced specific measures to support Scottish businesses and protect the Scottish economy.

**Scottish government urge UK government to ask for Brexit extension:** Scottish Government calls for a 2 year Brexit extension due to the COVID-19 pandemic.

## Northern Ireland

**UK Government provides extra £50M to tackle Coronavirus in Northern Ireland:** On 18 April 2020, the UK Government confirmed a further £50million of funding to support the Northern Ireland Executive tackle coronavirus.



**Please contact us if you have any questions relating to the impact coronavirus may have on your organisation:**



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