

Coronavirus update

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

30 March 2020

UK responds to COVID-19 with £330bn of additional support measures for businesses:

On Tuesday 17 March, UK Chancellor of the Exchequer Rishi Sunak announced a series of additional support measures to protect businesses during this unprecedented time. This article outlines a range of funding measures for SMEs and large businesses generally, and specific measures for the Retail, Leisure and Hospitality sector.

UK's Coronavirus Business Interruption Loan Scheme approved by the European

Commission: Two newly approved UK State aid schemes comprising the Coronavirus Business Interruption Loan Scheme will allow the UK Government to provide loan guarantees for and direct grants to support SMEs during the COVID-19 pandemic. This was approved by the European Commission on Wednesday 25 March following its newly adopted [Temporary Framework](#) for emergency State aid to business affected by the pandemic.

UK Government publishes procurement guidance notes: The UK Government has recognised that there will be a range of emergency purchasing needs from public authorities in responding to the impact of COVID-19. In such circumstances, authorities may need to procure goods, services and works with such critical speed as to make it impossible to respect usual public procurement rules. The Government has therefore very helpfully issued PPN 01-20 to set out some of the options available to authorities under pressure to do things quickly.

UK Government issues further guidance recommending that public bodies continue making payments to "at risk" suppliers: The UK Government has also set out its guidance to contracting authorities and suppliers on what to expect during the coronavirus outbreak and how to manage contract portfolios, cashflow and business continuity during these unprecedented times.

UK Government guidance to employers and businesses about COVID-19: The Chancellor has announced measures for UK businesses struggling due to coronavirus including: a Coronavirus Job Retention Scheme to support employers' continued payment of salary to "furloughed workers"; a Statutory Sick Pay relief package for SMEs; a planned business rates holiday for all eligible retail; hospitality and leisure businesses and nurseries for the 2020-21 tax year; grants available to small businesses and those in the retail; leisure and hospitality sector; a temporary Coronavirus Business Interruption Loan Scheme for SMEs; the COVID-19 Corporate Financing Facility under which the Bank of England will buy all short-term debt from all eligible UK businesses and various measures to assist with payment of tax including deferring VAT and Income Tax payments. Regularly updated government guidance to businesses on how to apply to the various schemes is included in the link provided.

UK Government guidance to local authorities on administering grant funding: As set out above, grants are to be made available to small businesses and businesses in the retail, leisure and hospitality sector. Central government will fully reimburse local authorities for the cost of the grant (under section 31 of the Local Government Act 2003). Local Authorities will be responsible for delivering the funding and government guidance for local authorities on administering the schemes is available through this link.

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UK Government guidance to local authorities about business rates expanded retail

discount: As set out above, the UK Chancellor has announced that all businesses in the Retail, Leisure and Hospitality Sector will receive 100% relief from business rates for the next 12 months. Here is the government guidance on administering this for local authorities.

The impact of the Coronavirus Act 2020 on public services: The UK Government passed the Coronavirus Act 2020 on 25 March. It contains provisions dealing with the fact that many existing legislative provisions giving local authorities powers are insufficient to deal with the scale of the coronavirus problem. Provisions include: the availability of Parliament finance to public authorities for financial assistance given in relation to coronavirus (such as grants, loans, guarantees and indemnities); the postponement of all elections scheduled for 7th May 2020 (as well as other relevant referendums and elections which arise); new powers for local authorities to direct crematorium and burial sites; powers to allow changes to the requirements for local authority meetings (for example to allow for meetings to be held remotely) and revisions to the social care system to allow local authorities greater control over the prioritisation and assessment of needs.

Coronavirus Act 2020: What does it mean for real estate?: The Coronavirus Act 2020 also deals with residential and business leases, introducing a moratorium on the ability of the landlord of a business tenancy to either forfeit or re-enter the property due to non-payment of rent and extending the notice period in relation to residential leases.



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



Jonathan Branton, Partner
Head of Public Sector
T +44 3333 203101
M +44 (0)7736 563202
E jonathan.branton@dwf.law



Colin Murray, Partner
Head of Local Government
T +44 (0)161 838 0379
M +44 (0)7507 834556
E colin.murray@dwf.law