

Government Support for UK Businesses and Workers

Here's a brief summary of the support measures the Government recently announced in support of UK businesses and their workers.

Job Retention:

- State pays 80% of wages for staff who lose jobs in crisis but whose employers want to keep them
- These payments to "retained workers" capped at £2,500 a month. Firms can "top up"
- Scheme open to all employers, including charities and non-profit organisations
- Funding will come via grants from HM Revenue and Customs and will be backdated to March 1st
- Scheme lasts for at least three months, but could be extended
- No limit on its total cost
- First grants paid "within weeks"

Cost: Unlimited

Business Interruption:

- Low-interest loans totalling £330 billion to keep businesses afloat
- Government will pay all interest for the first 12 months
- Loan scheme starts Monday 23rd March

Cost: Up to £330 billion

VAT Deferral:

- Businesses told they can defer VAT payments for the next quarter
- Payment deadline March 2021
- Scheme equivalent to fresh cash injection of £30 billion

Cost: Equivalent to £30 billion

Universal Credit:

- Standard allowance increased by £1,040 a year for next 12 months
- Working tax credit basic element also boosted by £1,040
- More than 4 million "vulnerable households" to gain

Cost: £6 billion

Self-employed:

- Workers will be able to access Universal Credit payments in full, at a rate equivalent to statutory sick pay eligible to employees
- Payments worth £94.25 a week

- The minimum income floor, which assumes people earn at least the minimum wage for 35 hours a week before calculating benefits, will be suspended
- Self-assessment payments for 5.7 million – due in July – deferred until January 2021

Cost: Unknown

Housing Benefit:

- Housing benefit and the relevant Universal Credit payment increased to cover at least 30 per cent of market rents

Cost: £1 billion

For further information on this go direct to the Government website – [COVID-19: Support for Businesses](#)