

# Coronavirus (COVID-19): Q&A guidelines for FRA Members

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## Opening Comments

Andrew Burton, from Malcolm Scott Consultants, an FRA associate member, which specialise in both planning and business operational needs, has been reviewing the affects which the current COVID-19 (Coronavirus) outbreak may be having on Farm Shops. Below is Andrew's observations from his research, which our FRA members may like to consider in support of their business at this current time. The information below is very much focusing on areas the business owners have been asking about and looking at this past week, supporting trading, cash flow and staff management.

The information below is provided as an informal guideline for businesses and with the rapidly changing nature of the COVID-19 outbreak, information and advice from Government does change quickly. Please see page 11 of this document for links to the latest government information.

## Your Business Premises and Trading

### a) Which businesses are classed as "non-essential" and required to close?

On 23 March the Government implemented measures to prevent the spread of coronavirus and save lives. All non-essential premises should now be closed. Takeaway and delivery services may remain open and operational in line with guidance on Friday 20 March. Online retail is still open and encouraged and postal and delivery service will run as normal.

The following businesses must remain closed which directly affects Farm Shops:

Restaurants, Cafes and canteens - food delivery and takeaway can remain operational. As of 17<sup>th</sup> March, Planning rules will be relaxed so pubs and restaurants can operate as hot food takeaways during the coronavirus outbreak. The government site should be monitored for further updates:

<https://www.gov.uk/government/news/government-to-grant-permission-for-pubs-and-restaurants-to-operate-as-takeaways-as-part-of-coronavirus-response>

All retail stores - Exceptions to this are supermarkets and other food shops, medical services, pharmacies (both dispensing and non-dispensing) petrol stations, bicycle shops, hardware and equipment hire stores, launderettes and dry cleaners, car garages and repair shops, car rental services, car parks Post Offices, vets and pet shops, corner shops, off-licences, and newsagents, banks, building societies and credit unions.

Outdoor and indoor markets - unless they offer groceries or food

### b) Which businesses are required to close in Scotland?

The UK and Scottish Governments have stepped up measures to prevent the spread of coronavirus. All non-essential premises must now close. Takeaway and delivery services may remain open and operational in line with guidance. Online retail is still open and postal and delivery service will run as normal.

You can read the Scottish Government's full guidance at

<https://www.gov.scot/publications/coronavirus-covid-19-business-and-social-distancing-guidance/>

Businesses are being asked to remain closed for a minimum of three weeks from 23 March 2020 when the restrictions will be reviewed.

### c) The Government has ordered all restaurants and cafes to close, can I still trade?

The Ministry for Housing, Communities and Local Government (MHCLG) will shortly legislate to bring forward a temporary Permitted Development Right to allow for change of use from A3 (Restaurant) to A5 (Hot Food Takeaway). The intention is that once the legislation has come into force a restaurant will be able to notify their Local Authority that they are now operating as a takeaway without any prior approval. Planning regulation has been changed

to enable restaurants and cafés which do not currently offer delivery and hot food takeaway to do so. The legislation can be accessed online at <http://www.legislation.gov.uk/ukxi/2020/330/contents/made>

Farm Shops have been allowed to remain open and trading, with strict controls of customer numbers and there must be a 2-metre distance between customers and staff and that shoppers enter in small groups, so that spaces do not become crowded. The government has also ordered retailers to manage queues outside their stores.

Many farm shops are doing an online ordering or telephone ordering optional also, where customers can order and pay for goods prior visiting the farm shop, then collect items from the farm shop through controlled methods, or have the goods delivered. This is dependant on availability and not all farm shops have decided to continue with this option now the supermarkets are under less pressure than we saw earlier in March.

**d) Am I covered if I have to close my place of business?**

You need to check your policy wording, or contact your broker to find out if you have Business Interruption cover in your commercial insurance policy and to clarify any further questions you may have about your insurance.

**e) What happens if I don't comply?**

New regulations extending the restrictions are now enforceable by law in England, Wales and Scotland due to the threat to public health.

Businesses who continue to operate in contravention of the regulations will be committing a criminal offence. The Environmental Health and Trading Standards agencies will be monitoring compliance along with police support provided by police if appropriate. Businesses and premises that breach them will be subject to prohibition notices, and potentially unlimited fines.

**f) How can I keep my business premises is secure while it is closed?**

If your premises is closed, the following actions could be beneficial to your business:

- Test your alarm, ensure it is monitored and fully operational
- Identify any vulnerable areas. Rectify these. Ensure security gates, bollards and fire exit doors have been secured prior to closure of the premises.
- Ensure service doors are closed and locked when not in use.
- Make sure you have list of key holders who can be contacted in times of emergency.
- Ensure your contact details for staff are up to date.
- Consider moving high value items into secured stockrooms and out of view.
- Ensure keys to the premises or other venues are not left inside and are instead with dedicated key holders.
- Consider timer switches or ensure sufficient lighting is left on at the premises/surrounding area.

- Ensure there are no combustible materials left in the proximity of the building such as packaging - consider the risk of arson.
- Review your CCTV to confirm it is operational, provides good quality images and is positioned to cover as much of the stores public and private areas. You may wish to consider a mobile phone app that allows connectivity and a vocal capacity to engage with any intruder.
- Ensure that no cash is retained on the premises overnight (leave a note on the door stating that no cash or valuables are kept overnight) or store them in a security accredited safe bolted to the floor.

## Business Rates

Each part of the UK, across England, Scotland, Northern Ireland and Wales have variances to guidelines.

If you have any queries at all regarding your business rates, you can get clarity and support by contacting the Malcolm Scott Consultants rating team, Harris Lamb rating at <https://www.harrislamb.com/rating/> or by calling 0121 213 6014 or emailing [nigel.fletcher@harrislamb.com](mailto:nigel.fletcher@harrislamb.com)

## Cash Flow

### a) How do I apply for the Coronavirus Business Interruption Loan Scheme?

A new temporary Coronavirus Business Interruption Loan Scheme, delivered by the British Business Bank, launched 23 March 2020 to support primarily small and medium-sized businesses, to access bank lending and overdrafts.

The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs. The government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5 million in value. There will be an interest free period for loans taken out through the business interruption loan scheme of 12 months.

Business are eligible if the business is UK based, with turnover of no more than £45 million per year and British Business Bank eligibility criteria.

The full rules of the Scheme and the list of accredited lenders is available on the British Business Bank website. All the major banks will offer the Scheme once it has launched. There are currently 40 accredited providers in all with more being added. Businesses wishing to apply for this scheme should approach the lenders directly.

The Development Bank of Wales is currently offering all business customers a 3 month capital loan repayment holiday. More information can be found here: <https://developmentbank.wales/coronavirus-support-welsh-businesses>

### b) Cash grants for retail, hospitality and leisure businesses (England & Scotland)

The Retail and Hospitality Grant Scheme provides businesses in the retail, hospitality and leisure sectors with a cash grant of up to £25,000 per property.

For businesses in these sectors with a rateable value of under £15,000, they will receive a grant of £10,000.

For businesses in these sectors with a rateable value of between £15,001 and £51,000, they will receive a grant of £25,000.

Businesses based in England, in the retail, hospitality and/or leisure sector are eligible. This includes properties being used primarily as shops, restaurants and cafes. You do not need

to take any action, if you are eligible for the grant you will be contacted by your local authority.

In Scotland, retail, hospitality and leisure businesses with a rateable value between £18,000 and up to and including £51,000 will be able to apply for a one-off grant of £25,000. A one-off grant of £10,000 will also be available to small businesses who get Small Business Bonus Scheme Relief.

### **c) The Small Business Grant Fund (SBGF)**

Additional Small Business Grant Scheme funding for local authorities to support small businesses that already pay little or no business rates because of small business rate relief (SBBR), rural rate relief (RRR) and tapered relief has been made available. This will provide a one-off grant of £10,000 to eligible businesses to help meet their ongoing business costs. The Department for Business, Energy & Industrial Strategy (BEIS) have now released their guidance for local councils which sets out in full which businesses are eligible and the funding breakdown, you can read this in full on the gov.uk website at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/875348/small-business-grant-fund-and-retail-guidance-v2.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875348/small-business-grant-fund-and-retail-guidance-v2.pdf)

Eligible businesses are those based in England already receiving SBBR and/or RRR occupying property. You do not need to do anything to claim this grant, your local authority will contact you if you are eligible for this grant. Any queries should be addressed to your local authority

### **d) What about directors?**

If you're a director of your own company and paid through PAYE you may be able to get support using the Job Retention Scheme. You can find more details of the Coronavirus Job Retention Scheme on the gov.uk website at <https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme>

## **Employee Support**

### **a) Statutory Sick Pay and Employment Allowance**

If you are a small or medium-sized business, you may be entitled to reclaim the costs of Statutory Sick Pay (SSP) for sickness absence due to COVID-19. This information is taken from the publication "How to access government financial support if you or your business has been affected by COVID-19" which can be found at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/873676/Covid-19 fact sheet 18 March.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/873676/Covid-19_fact_sheet_18_March.pdf)

UK based Small-and medium-sized businesses (who employ less than 250 people as of 28 February 2020) are able to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19. The eligibility criteria for the scheme will be as follows:

This refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19. Employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020.

Employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19.

The government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible

This scheme is being currently being developed and we will update once the details have been confirmed.

### **b) How will I pay my staff?**

On 20 March 20 the Chancellor announced the launch of a coronavirus job retention scheme, allowing any employer the opportunity to apply to HMRC to have up to 80% of a member of staff's salary paid – capped at £2,500 a month – backdated to 1 March, running for three months (a time-scale which will be kept under review) with no limit on funding for the initiative.

All UK businesses are eligible for the scheme, employers will need to:

Designate affected employees as 'furloughed workers,' and notify your employees of this change - changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation

Submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required)

HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers.

### **c) What are my duties as an employer?**

Employers have a duty under health and safety legislation to take steps to ensure the health, safety and welfare of all their employees, so far as reasonably practicable, including those who are particularly at risk for any reason. Employees also have a duty to take reasonable care of their own health and safety and that of people they work with. They must cooperate with their employer to enable it to comply with its duties under health and safety legislation. Employees who refuse to cooperate, or who recklessly risk their own health or that of others in the workplace, could be disciplined where this is appropriate. Where, for example, employees attend work but the employer reasonably believes the employee has symptoms that would require them to self-isolate in accordance with current public health advice (i.e. where they have a new persistent cough and/or high temperature), it is likely that the employer has a duty of care towards other staff to require the employee displaying those symptoms to stay at home and self-isolate for a period of 7 days or 14 days where applicable. Employees will be entitled to SSP in this scenario under new temporary SSP Regulations (see below). Alternatively, where employees are fit enough to carry out

some work whilst self-isolating and it is practicable for them to do so, employees would be paid their normal wages for the period they are carrying out work.

Currently, the government's advice is that where employees with symptoms of the coronavirus have attended work, employers do not need to take any special measures such as sending other staff home, closing the workplace or deep cleaning the workplace. This guidance is subject to change.

In respect of employees who have attended the workplace and who test positive for coronavirus, the employer will be contacted by the relevant local Health Protection Team to identify those who have been in contact with the employee and to discuss any special measures for the employer to take.

**d) Are employers required to carry out a specific risk assessment for coronavirus?**

The virus should be approached like every other disease. Some employers may already have in place disease control risk assessments.

**e) Do I have to pay Statutory Sick Pay if employees are required to self-isolate?**

Employees who develop symptoms of the coronavirus or symptoms which require self-isolation will of course be unfit for work. They will be entitled to SSP subject to meeting the qualifying criteria.

**f) Temporary Reform of the SSP Rules**

In response to the coronavirus outbreak, new Regulations known as The Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2000 came into force on 13 March 2020. These will remain in force for a period of 8 months. I'd advise that business monitor their local and government websites regularly for specific guidelines for their locations.

**g) Emergency Voluntary Leave**

Recently retired health care and social care professionals (i.e. those whose registration to practice has ceased within the last 3 years), including retired doctors, nurses and midwives, will be contacted by the National Medical Council and The Nursing and Midwifery Council to re-register with them on a voluntary basis in order to practice. Under the new legislation to be introduced under the Bill, employees will have the statutory right to take Emergency Voluntary Leave in blocks of 2,3 or 4 weeks' statutory unpaid leave. Employers that employ those categories of retired professionals will need to permit employees to take this leave any accommodate any subsequent staff shortages.

**h) What about employees who are unable to attend work due to school closures or due to dependents self-isolating?**

The government has now moved to the "delay" phase of its action plan with closure of schools across the UK having been put in place (to remain in place possibly until September), with the exception of the continued provision of schooling for "key workers"

and vulnerable children. School closures will inevitably impact on childcare arrangements and employees' ability to attend work, unless those employees fall within the limited category of parents for whom schools remain open. In this scenario, it is also likely to be more difficult for employees to find replacement childcare cover. Elder care arrangements may also be adversely affected.

Section 57A of the Employment Rights Act 1996 gives employees the right to a reasonable amount of unpaid time off work because (amongst other reasons) of the unexpected disruption or termination of arrangements for the care of a dependant.

## Government updates

With the rapidly changing nature of the COVID-19 outbreak, information and advice from Government does change quickly. For all the latest Government information on COVID-19 and the measures the Government, and Devolved Governments, are taking, please visit:

Government guidance for employers and businesses

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19>

UK Government website

<https://www.gov.uk/coronavirus>

Scottish Government website

<https://www.gov.scot/coronavirus-covid-19/>

Welsh Government website

<https://gov.wales/coronavirus>

Northern Irish Government website

<https://www.health-ni.gov.uk/news/latest-update-coronavirus-covid-19-3>



01905 726353



[inmail@malcolmscottcons.co.uk](mailto:inmail@malcolmscottcons.co.uk)



Grosvenor House, St Mary's Street  
Worcester WR1 1HA

Malcolm Scott Consultants Ltd. Grosvenor House, St Mary's Street, Worcester, WR1 1HA.

T: +44 (0) 1905 726353 F: +44 (0) 1905 611221 E: [inmail@malcolmscottcons.co.uk](mailto:inmail@malcolmscottcons.co.uk)

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