

Media Release

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Business Support Measures - new web portal and revisions to the scheme

From today, businesses applying for payroll support through the Business Support Scheme will be able to submit their claims through a new web portal. This revised arrangement will make use of a new IT processing system which will enable faster processing and payment of applications.

The web portal will provide a user-friendly means of submitting payroll support claims.

All claims for payroll funding for the period from 4<sup>th</sup> May 2020 should be submitted through the new web portal. This can be accessed here: https://covid19.gov.gg/guidance/business

If businesses have already submitted a payroll claim for any period from 4<sup>th</sup> May, there is no need to re-submit an application.

Deputy Lyndon Trott, Vice-President of the Policy & Resources Committee, who is leading the economic support measures on behalf of the Committee, said:

"So far we have supported over 1,000 local businesses with their payroll funding requirements during this crisis. Over 3,000 payroll payments have been made to a value of over £7m, with a further £5.3m paid by way of grants to small businesses supporting a further 1,000 businesses. We know that there will be an on-going need to deliver payroll support for the coming weeks and that some businesses will require financial support for longer periods than others, possibly beyond the current scheme expiry date of 30<sup>th</sup> June.

While we agreed these support measures should be provided very early on in this crisis, getting a new system up and running to practically get this help to businesses has been an enormous challenge, and some businesses have had to wait as a result. I understand their frustration and that is why, while we've continued to process the growing number of claims manually, we've also been working on this digital solution so we can quickly speed the whole process up."

Further revisions to the support measures have also taken place which will widen eligibility for funding for certain businesses. In particular, small businesses employing up to 20 people will now be entitled to claim a small business grant. This follows valuable representation from certain business sectors and a review of the number of businesses that were narrowly failing to meet eligibility criteria. Details of the amended criteria are set out in the notes section below.

### Deputy Trott said

"It's important that the support measures are applied fairly and we have identified certain circumstances where some businesses might have failed to meet eligibility criteria but still merit support. Whilst these cases are always reviewed, extending the criteria means we can widen vital support to those businesses in need.

We have listened, continue listening and we will not stop listening to those in need. By 'we' I don't just mean my political colleagues and I, but also our dedicated and hardworking civil service team to whom I also extend my gratitude."

Businesses who consider they are now eligible to claim under these new revised criteria and who have previously not first completed and submitted the Business Support Set Up form, will need to complete this form. This form can be accessed here:

<u>https://covid19.gov.gg/guidance/business</u>. Businesses will only need to complete this form once and for subsequent applications for payroll funding, they will be able to use the new web portal.

Ends

#### Notes to Media

Please contact Rob Moore pressroom@gov.gg

### Application process for the new web portal

- Businesses which have already completed and submitted a Business Support Set Up Form should go to this web address <u>https://covid19.gov.gg/guidance/business</u> where they will be able to complete their payroll claim. Businesses will need to complete this form for each payroll period they are applying for (either weekly or monthly).
- If businesses have not already applied for the Business Support Payroll Reimbursement Scheme, they will need to have first completed and submitted the

Business Support Set Up form, which can be accessed here <u>https://covid19.gov.gg/guidance/business</u>. Businesses will only need to complete this form once and for subsequent applications for payroll funding, they will be able to use the new web portal.

## **Extended Business Support eligibility criteria**

The following changes have been made:

- Eligibility for the small business grant has been increased to allow businesses which have up to 20 employees to claim for the grant. The previous limit was 10 employees including the business owner.
- For operations that have multiple businesses in different economic sectors, separate claims can now be made for each business that operates in a different economic sector.
- Businesses that commenced trading between 1st September and 1st December 2019 will be eligible for support if they can clearly demonstrate that they are firmly established and financially viable. Previously, businesses that had only started trading prior to 1<sup>st</sup> September were eligible for support.
- Eligibility for the small business grant will be extended to loss making/minimal profit businesses, where they are able to demonstrate that the business is financially viable. Businesses will be required to submit copies of their business bank accounts for the last 6 months, together with management accounts if these are available, to demonstrate turnover and profitability.
- Following a moderate number of representations made by small business book keepers the business support measures (covering the both the grant and payroll) will be extended to this business activity. Such businesses are experiencing significant reductions in demand for services where their clients have not been operational during lock down. Small bookkeeping accounting operations serving the domestic market will be eligible for support under the following restrictions:
  - They can demonstrate a significant impact on business turnover
  - At least 75% of their business is in relation to local residents and/or domestic businesses outside the finance sector
  - They employ 5 people or fewer
  - If self-employed, they are not affiliated with a business employing more than
    5 people

### FAQs on changes to the Business Support Schemes:

#### For the small business grant, who counts as an employee?

The small business grant is restricted to businesses with 20 employees or less as at 16th March 2020.

If you are self-employed, then you count as one of those 20 persons.

If you have a member of staff that works less than 15 hours, then they will not be counted as an employee for the purpose of determining eligibility for the grant. As the Revenue Service do not have details of the hours worked on the employer returns, if this applies to your employees, please let us have this information when submitting a claim, otherwise the Revenue Service may need to contact you to confirm the number of staff you have.

Where the levels of staff change dramatically on a seasonal basis, the average staff numbers for the prior year will be calculated in order to determine if this equates to 20 employees or less.

#### I am involved in several businesses, can I make a claim for each business?

No. You may only make one claim and the numbers of employees in all businesses you are involved in will be aggregated to determine whether the small business grant is applicable.

For clarity, a group of companies will be defined as sharing the same common beneficial owners/shareholders.

The exception to this, is where the businesses operate in different sectors. For example if you run a number of hospitality businesses and also a shop, then you may apply for two grants. In determining eligibility for the shop, only the number of employees for the retail business will be considered. In determining eligibility for the hospitality businesses, then all of the employees within the hospitality businesses will be aggregated.

## To be eligible for either the grant or payroll co-funding, does my business have to have been trading since 1 September 2019?

The Revenue Service will be asked to verify that your business has been trading continuously since 1 September 2019. If you have not advised the Revenue Service that you have set up a business, you will be unable to claim.

If a company was incorporated prior to this date but it had not started trading then it will not be eligible. Similarly if you are self-employed and started trading after 1 September, even if this was taking over a business from someone else, then you can't claim.

In exceptional circumstances, where a business can clearly demonstrate that it is firmly established and financially viable, claims may be considered from businesses that commenced trading between 1 September 2019 and 1 December 2019. In order for such a claim to be considered, you will need to submit copies of your business bank accounts from the period you commenced trading, together with management accounts if these are available to demonstrate turnover and profitability. These should be emailed to business.support@gov.gg.

## I am employed on a full time basis and receive an income from this. In addition, I also run a separate business, can I claim the small business grant?

No. The criteria for making a request for a grant is that the business represents your primary source of income and is run as a full-time business.

Therefore if your profits from the business are less than the social insurance lower earnings limit of £7,332 for 2019, you are not classed as self-employed for social insurance, and if you are also employed, this will not be considered your primary source of income.

In exceptional circumstances, where you do employ people within your business, claims may be considered.

# The profit from my business is either minimal or a loss, can I claim the small business grant?

No. If your profits from the business are less than the social insurance lower earnings limit of £7,332 for 2019, this will not be considered a full-time business or your primary source of income.

In exceptional circumstances, where you are able to demonstrate that the business is financially viable (for example losses are reducing), claims may be considered. In order for such a claim to be considered, you will need to submit copies of your business bank accounts for the last 6 months, together with management accounts if these are available to demonstrate turnover and profitability. These should be emailed to <u>business.support@gov.gg</u>.