**UK Government Financial Measures in response to Covid-19**

**BRIEFING DOCUMENT FOR CHURCH OF ENGLAND INSTITUTIONS**

**COVER NOTE**

This version (21 April) of the Briefing Document updates a version previously circulated on or about 6 April 2020.

Much of the information remains unchanged. However, in some areas there are significant changes and these are as follows:

**Coronavirus Job Retention Scheme**

There have been significant further announcements by the Government and the scheme has now opened for applications.

**Support for Charities, including from the Arts Council and Lottery Fund**

Further information is now available regarding the types of grants that will be given, who is eligible, and how to apply for funding.

**Other matters including trading while insolvent extending filing deadlines**

Additional information has been added to this section

**UK Government Financial Measures in response to Covid-19**

**BRIEFING DOCUMENT FOR CHURCH OF ENGLAND INSTITUTIONS**

**Overview**

The UK Government has set out a package of support for businesses (including charities) through the period of disruption caused by Covid-19, including:

1. [Coronavirus Job Retention Scheme](#_A_Coronavirus_Job)
2. [Deferring VAT payments](#_B_Support_for)
3. [Statutory Sick Pay relief for Small and Medium sized businesses](#_C_Support_for)
4. [Business rates holiday for all retail, hospitality, leisure and nursery businesses in England](#_D_Business_rates)
5. [The Retail and Hospitality Grant Fund](#_E_The_Retail)
6. [The Small Businesses Grant Fund](#_F_The_SMALL)
7. [Coronavirus Business Interruption Loan Scheme](#_G_Coronavirus_Business)
8. [HMRC Time To Pay Scheme](#_H_Support_for)

In addition, other support schemes have been announced by other bodies, including:

1. [Big Society Capital - emergency loan fund](#_I._BIG_SOCIETY)

Details of each scheme can be found in the following pages. In addition, the Government and other bodies have issued guidance on a number of other issues including support for the self-employed and for charities. These are addressed in the Appendices:

Appendix 1 [Support for the Self-Employed](#_Support_for_Self-employed)

Appendix 2 [Support for Charities](#_Appendix_2), including from the Arts Council and Lottery Fund

Appendix 3 [Other matters](#_APPENDIX_3) including trading while insolvent extending filing deadlines

Finally, please note that we and other charities are in discussions with the Government on a number of issues. The latest information is contained in the relevant sections.

The latest Government guidance re relief and support in relation to COVID-19 can be found here:

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

This version of the Briefing Document is prepared from the available information as at 21April 2020. Please take further advice from your professional advisors, HMRC, your local authority or other relevant body to check how these measures might impact your institution.

## A Coronavirus Job Retention Scheme (“CJRS”)

**Overview**

Under the CJRS, all UK employers will be able to access support to continue paying part of their employees’ salary for those employees that would otherwise have been laid off during this crisis. HMRC will reimburse 80% of furloughed workers’ wage costs, up to a cap of £2,500 per month. HMRC are working to set up a system for reimbursement. When originally announced the Scheme was only to run for an initial 3 months from 1 March 2020 to the end of May 2020, although the Government have now announced that it will run to the end of June 2020 and have indicated that this may be extended further if necessary.

### Eligibility

### All UK employers (including Charities) who had a PAYE payroll in operation on 19 March 2020 are eligible (this is a change from 28 February 2020 as originally announced). Furloughed employees must have been on the PAYE payroll on 19 March 2020, and can be on any type of contract, including:

### full-time employees;

### part-time employees;

### employees on agency contracts; and

### employees on flexible or zero-hour contracts

### The scheme also covers employees who were made redundant since 19 March 2020, if they are rehired by their employer. Please note that being on the PAYE payroll means staff who were notified to HMRC on a Real Time Information (“RTI”) submission on or before 19 March 2020.

**Applicability for Church of England**

Wide applicability. Likely to be relevant to the NCIs, Dioceses, Cathedrals, Bishops’ Offices, Churches with staff (they need to be on payroll and not casual staff eg cleaners), Church Charities.

**Restrictions**

To be eligible for the subsidy, when on furlough, an employee can not undertake work for or on behalf of the organisation. An employee may undertake voluntary work or, if permitted under their employment contract, paid work for another organisation. However, at present people are NOT permitted to undertake voluntary work for their employer. Representations have been made to the Government about this and they are considering this point further in respect of charities.

If an employee is working, but on reduced hours, or for reduced pay, they will not be eligible for this scheme and you will have to continue paying the employee.

#### Implementation of the Scheme

### The understanding is that an employer needs to do the following:

### to designate affected employees as ‘furloughed workers’ and agree the change with the relevant employees (the precise mechanism will depend on the wording of the relevant employment contracts and the agreement must be in writing (an e-mail exchange will be sufficient)); and

### submit information to HMRC about the employees that have been furloughed and their earnings. To do this the employer must be registered with HMRC Online. The scheme became active on 20 April and payments are expected to be made within six days of an application.

### Details re how to register for HMRC Online can be found here:

### <https://www.gov.uk/paye-online/enrol> .

### Details re how to calculate your claim can be found here (there is a link to a calculator function on the page):

### <https://www.gov.uk/guidance/work-out-80-of-your-employees-wages-to-claim-through-the-coronavirus-job-retention-scheme> .

### You will be required to submit the following information to HMRC:

### • your employer PAYE reference number;

### • the number of employees being furloughed;

### • National Insurance Numbers for the employees you want to furlough;

### • Names of the furloughed employees;

### • Payroll/employee number for the furloughed employees (optional);

### • your Self Assessment Unique Taxpayer Reference, Corporation Tax Unique Taxpayer Reference, Company Registration Number or Employer Name (as appropriate);

### • the claim period (start and end date);

### • amount claimed (per the minimum length of furloughing of 3 consecutive weeks);

### • your bank account number and sort code;

### • your contact name; and

### • your phone number.

### If you have fewer than 100 furloughed staff you will be asked to enter details of each employee you are claiming for directly into the system – this will include their name, National Insurance number, claim period and claim amount, and payroll/employee number (optional). If you have 100 or more furloughed staff you will be asked to upload a file with the information rather than input it directly into the system. HMRC will accept the following file types: .xls .xlsx .csv .ods .

### Points for noting

### The guidance on this scheme is continually being updated. The latest guidance re how and what employers can claim can be found here:

### <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>.

### The following points are worth noting.

### Employers will be able to choose whether to pay the remaining 20% of a furloughed employee’s salary themselves, or only to pay the employee on furlough the 80% salary which will be reimbursed by the government. For higher paid employees, it is up to the employer whether to pay the excess salary over the £2,500 per month that will be reimbursed by the government.

### There is no mention of any restriction re assets etc. of an employer in order to be eligible for the CJRS. If any employer now has employees who would otherwise be made redundant as there is no work for them, those employees can be furloughed and the CJRS grant claimed in respect of those employees.

### The lower of 80% of salary or £2,500 that will be met by HMRC excludes Employer NICs and employer auto enrolment pension contributions, which will also be met by the government under the scheme.

### Employers continue to pay their payroll as normal (at reduced rate of 80% for those furloughed unless they have chosen to top it up) and then submit a claim for reimbursement for the furloughed employees’ salaries. Once a claim has been made, HMRC will check it is eligible and then pay the CJRS grant due to the relevant employer directly into the employer’s UK bank account via BACS.

### While on furlough, the employee’s wage will be subject to usual income tax and other deductions

### Employees on furlough continue to be employees and accrue all employment rights, such as holiday, parental leave, Statutory Sick Pay, and redundancy entitlements.

### The minimum period of furlough for which HMRC will pay a grant is 3 weeks.

### The process for identifying and agreeing which employees will be furloughed must follow employment law requirements and must comply with the Equality Act and other anti-discrimination law. Employees must be informed in writing and the new contract terms agreed. Records must be retained in case they are requested by HMRC when undertaking an audit in the future.

### Employers are entitled to furlough employees who are being shielded or off on long-term sick leave. Employees who are unable to work because they have caring responsibilities resulting from coronavirus (eg employees that need to look after children) can be furloughed.

### Apprentices can be furloughed in the same way as other employees. They can continue with training, but employers must ensure that they are paid the National Minimum Wage when undertaking training.

### Office holders can be furloughed. However, stipendiary priests will not usually be eligible to be furloughed owing to the nature of their office and the duties associated with it. Please seek legal advice if you are considering furloughing a priest. The NCIs legal office have provided guidance on this point but please also speak to the Diocesan Registrar.

## B Support for businesses through deferring VAT payments

**Overview**

All UK businesses can defer Valued Added Tax (“VAT”) payments for 3 months. The deferral will apply from 20 March 2020 until 30 June 2020.

#### Eligibility

#### All UK VAT registered businesses (incl Charities) are eligible.

**Applicability for Church of England:**

Wide applicability. Likely to be relevant to the NCIs, Dioceses, Cathedrals, Large Churches, and Church Charities.

#### Implementation of the Scheme

#### This Scheme is of general application and nothing specific needs to be done by any organisation. The deferral scheme will operate as follows:

#### The deferment covers UK VAT registered businesses in relation to payments which fall due on or before 30 June;

#### It applies to payments on account as well as payments due with VAT returns;

#### Any VAT payment deferred needs to be made by 31 March 2021; and

#### It does not apply to VAT paid to HMRC under the mini-one stop shop.

#### Points for noting

#### This does not affect the charging of VAT on goods and services. VAT should be added as normal to all invoices etc.

#### Likewise, this does not affect the payment of VAT on goods and services and all invoices etc. should be paid as usual including the VAT.

#### This is only a deferral of amounts due, ie it is only a cash flow relief. Any VAT payable to HMRC before 30 June 2020 remains due and payable and must be paid to HMRC by 31 March 2021.

#### This does not affect the submission of VAT Returns. These should be prepared and submitted as usual.

## C Support for smaller businesses who are paying sick pay to employees

**Overview**

Small and medium-sized businesses and employers will be able to reclaim Statutory Sick Pay (“SSP”) paid for sickness absence due to COVID-19.

### Eligibility

### UK based businesses which employed fewer than 250 employees as at 28 Feb 2020.

**Applicability for Church of England**

Wide applicability. Some institutions, eg the NCIs and large Dioceses may not be eligible, but it is likely to be relevant to Dioceses, Cathedrals, Bishops’ Offices, Churches with staff (they need to be on payroll and not casual staff eg cleaners), and Church Charities.

### Implementation of the Scheme

### The Scheme has not yet been implemented. The Government has stated that a rebate scheme is being developed and that further details will be provided in due course once the legislation has passed. However, the Government has announced the following eligibility criteria for the scheme:

### the refund will cover up to 2 weeks’ SSP per eligible employee who has been off work because of COVID-19, starting on Day 1 of their illness;

### 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; and

### employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note.

### Points for noting

### Employers are still required to pay SSP to their employees. However, if eligible, they will be refunded in due course. Employers should not expect to receive the refund for some time, so this is not immediately cash flow positive.

### If employers require sick notes these will not be provided by GPs but those with symptoms of COVID-19 can get an isolation note from NHS 111 online and those who live with someone that has symptoms can get a note from the NHS website.

### 

### D Business rates holiday

### for retail, hospitality and leisure businesses

**Overview**

There will be a business rates holiday for retail, hospitality and leisure businesses in England for the 2020 to 2021 tax year.

#### Eligibility

#### Businesses based in England in the retail, hospitality and/or leisure sector. The Government have stated that these are premises that are wholly or mainly being used:

#### a. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,

#### b. for assembly and leisure; or

#### c. as hotels, guest & boarding premises and self-catering accommodation.

The full guidance re eligibility can be found here:

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/873622/Expanded_Retail_Discount_Guidance.pdf> .

**Applicability for Church of England**

This may apply to shops/cafes in Cathedrals and other Churches (if liable for business rates). This may also apply to Church Halls and similar venue as guidance says that it includes premises that are being used for the assembly of visiting members of the public including public halls.

### Implementation of the Scheme

#### This will automatically apply in respect of all eligible premises with effect from 1 April 2020. Local authorities may have to reissue bills to take this into account. If you believe that you are eligible for the scheme, please contact your local authority before paying any business rate demands.

### Points for noting

### The Government has also stated that hospitality businesses should be able to claim on their business continuity insurance as a result of government guidance to the public. Affected institutions (eg Cathedrals) should check their insurance cover and contact their insurers to discuss this further.

### D Business rates holiday

### for nursery businesses

**Overview**

There will be a business rates holiday for nurseries in England for the 2020 to 2021 tax year.

#### Eligibility

#### This relief will apply to premises occupied by providers on Ofsted’s Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21. Full guidance re eligibility can be found here:

#### <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874284/Nursery_discount_guidance.pdf> .

**Applicability for Church of England**

This could apply to a nursery run in Church or Cathedral owned premises eg a Church Hall.

### Implementation of the Scheme

#### This will automatically apply in respect of all eligible premises with effect from 1 April 2020. Local authorities may have to reissue bills to take this into account. If you believe that you are eligible for the scheme, please contact your local authority before paying any business rate demands.

### E The Retail and Hospitality Grant FUND

**Overview**

This Fund provides businesses in the retail, hospitality and leisure sectors with a cash grant of up to £25,000 per property. Businesses in these sectors with a rateable value of up to £15,000 will receive a grant of £10,000. Businesses in these sectors with a rateable value from £15,001 up to £51,000 will receive a grant of £25,000.

#### Eligibility

#### Businesses are eligible for the grant if they are based in England, are in the retail, hospitality or leisure sector, and have a rateable value of under £51,000. Properties that will benefit from the relief will be occupied properties that are wholly or mainly being used:

#### a. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,

#### b. for assembly and leisure; or

#### c. as hotels, guest & boarding premises and self-catering accommodation.

**Applicability for Church of England**

#### The businesses eligible for these grants are the same categories as those mentioned in respect of the Business Rates Relief at D.1. above.

### Implementation of the Scheme

### Local authorities will write to businesses that are eligible for this grant. If you believe that you should be eligible but do not hear anything, please contact the relevant local authority.

### F The SMALL BUSINESS Grant FUND

**Overview**

This Fund will provide all eligible small businesses in England with a grant payment of £10,000.

#### Eligibility

#### Businesses are eligible for the grant if they are based in England and occupied a property on the 11 March 2020 which was were eligible for relief under the business rate Small Business Rate Relief Scheme (including those with a Rateable Value between £12,000 and £15,000 which receive tapered relief) or which were eligible for relief under the rural rate relief scheme.

#### Applicability for Church of England

#### It is likely that some small cafes and restaurants in Churches and Cathedrals will qualify. In addition, some Church Halls and other similar operations may qualify.

### Implementation of the Scheme

### Local authorities will write to businesses that are eligible for this grant. If you believe that you should be eligible but do not hear anything, please contact the relevant local authority.

## G Coronavirus Business Interruption Loan Scheme Coronavirus Business Interruption Loan Scheme (“CBILS”)

**Overview**

This scheme, which will be co-ordinated by the British Business Bank, was launched primarily to support small and medium-sized businesses to access bank lending and overdrafts. The government will provide lenders with a guarantee of 80% on each loan 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 initially supported loans of up to £5 million in value.

This scheme has now (3 April) been expanded to encompass larger firms with a turnover of up to £500m. This version of the scheme (known as the Coronavirus Large Business Interruption Loan Scheme (“CLBILS”)) will offer government-backed loans of up to £25m to firms with revenues of between £45m and £500m. Banks will also be banned from asking company owners to guarantee loans with their own savings or property when borrowing up to £250,000. A further scheme is available to provide liquidity for larger businesses that are not eligible for these loans.

The Government will make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied charges.

### Eligibility

### UK based businesses with turnover of no more than £500m pa which meet the British Business Bank eligibility criteria are eligible for these schemes. Previously, “Activities of religious organisations” were not eligible. However, this restriction appears to have been withdrawn as it is now stated that:

### “The following businesses are not eligible to apply:

### banks, insurers and reinsurers (but not insurance brokers)

### public-sector bodies

### further-education establishments, if they are grant-funded

### state-funded primary and secondary schools”

### There is also a requirement for 50% of turnover to be derived from trading income. However, the trading income definition appears to be quite wide so that includes income from property despite this normally being considered investment income. Representations have been made to the Government about relaxing this requirement for Charities.

**Applicability for Church of England**

This scheme should now be available to more Church of England organisations although the 50% trading income requirement will prevent many from accessing it. However, all organisations must be aware that this is a loan scheme and the loan must be repaid. To access the loans, the scheme makes it clear that the applicant must “have a borrowing proposal which the lender would consider viable, were it not for the current pandemic”.

### Implementation of the Scheme

The full rules of the Schemes and the list of accredited lenders is available on the [British Business Bank website](https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/). All the major banks offer the Schemes and there are 40 accredited providers in all. If you think it may be applicable, you should talk to your bank as soon as possible and discuss your business plan with them. The scheme for smaller businesses went live in March 2020 and that for larger businesses went live on 20 April 2020.

### Points for noting

It should be noted that this scheme provides security for banks re the loans. The loans are granted on ordinary commercial terms and must be supported by business plans showing that they can be paid back. If you don’t want to take on additional debt these loans would not be suitable.

## H Support for businesses paying tax: Time to Pay service

**Overview**

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support with their tax affairs through HMRC’s Time To Pay service.

### Eligibility

### Any business that pays tax to the UK government and has outstanding tax liabilities

**Applicability for Church of England**

### Any Church institution that is having cash flow issues and has outstanding tax liabilities will potentially be eligible.

### Implementation of the Scheme

This is only available if you contact HMRC directly. Any business which has missed a tax payment or might miss a next payment due to COVID-19 should call HMRC’s dedicated helpline: 0800 0159 559. It is important to obtain agreement from HMRC in advance of missing payments. These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities.

See here for more detail:

<https://www.gov.uk/government/news/tax-helpline-to-support-businesses-affected-by-coronavirus-covid-19>

## I. BIG SOCIETY CAPITAL – Resilience and Recovery Loan FUND

**Overview**

### Big Society Capital has worked with social investors and the Department for Digital, Culture, Media and Sport (“DCMS”) to create a £100 million emergency response. The measures include a new £25 million Resilience and Recovery Loan Fund, alongside changes to the Community Investment Enterprise Fund (“CIEF”) to allows loans under the Coronavirus Business Interruption Loan Scheme and the repurposing of up to £50 million of existing capital.

## The Resilience and Recovery Loan Fund will be managed by Social Investment Business (“SIB”). Big Society Capital will provide the funds, with loans backed by the Government’s existing Coronavirus Business Interruption Loan Scheme and issued through SIB working with Charity Bank, Social and Sustainable Capital and Big Issue Invest.

## These loans will be interest-free for 12 months and no arrangement fees will be paid. In addition, no personal guarantees will be required

### Eligibility

### Social enterprises and charities facing cash-flow problem and disruption to their trading will be able to apply for loans. Big Society Capital has a remit to invest money in organisations that “exist wholly or mainly to provide benefit for society or the environment”; so any organisations need to be able to meet what is set out in Big Society Capital's governance principles. For the avoidance of doubt, this includes:

### registered charities

### community interest companies

### community benefit societies

### In addition, an organisation must meet the size requirements etc. for CBILS (see Section G).

**Applicability for Church of England**

### As most Church institutions are charities, it is hoped that this fund will be accessible by many of them.

### Implementation of the Scheme

## Full details of the scheme can be found here:

## <https://www.sibgroup.org.uk/resilience-and-recovery-loan-fund>

## SIB have stated that the expect applications to open in mid-April, with the intention that the first loans will be completed at the start of May.

## APPENDIX 1

## Support for Self-employed Workers (contractors, freelance workers etC.)

1. **The coronavirus (COVID-19) Self-employment Income Support Scheme**

**Overview**

This scheme is analogous to the Coronavirus Job Retention Scheme. It allows someone who is self-employed to claim a taxable grant worth 80% of their trading profits up to a maximum of £2,500 per month until the end of June.

### Eligibility

Those who are eligible are those who are self-employed individual or a member of a partnership and:

* have submitted an Income Tax Self-Assessment tax return for the tax year 2018-19;
* traded in the tax year 2019-20;
* are trading when they apply, or would be except for COVID-19;
* intend to continue to trade in the tax year 2020-21; and
* have lost trading/partnership trading profits due to COVID-19.

In addition, their self-employed trading profits must be less than £50,000 and more than half their income must come from self-employment.

### Implementation of the Scheme

It is not possible to apply for this scheme yet. The Government have stated that HMRC will aim to contact those eligible by mid May 2020, and invite them to claim using the GOV.UK online service and will then make payments by early June 2020.

This scheme will only be accessible via gov.uk If someone texts, calls or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link or to give information such as your name, credit card or bank details, do not click on the link or give the details as it will be a scam.

**Points for noting**

* The grant will be subject to Income Tax and National Insurance contributions but does not need to be repaid.
* You can make a claim for Universal Credit while you wait for the grant. You should record the grant as part of your self-employment income, and it may affect the amount of Universal Credit you get. This will not affect Universal Credit claims for earlier periods.

1. **OTHER SUPPORT**

**Deferral of Income Tax Payments on Account**

The Government has announced that any self-assessment payments on account due by 31 July 2020 may be deferred until January 2021. This is an automatic offer with no applications required. No penalties or interest for late payment will be charged if you defer payment until 31 January 2021.

## Appendix 2

## Charity specific measures

1. **Arts Council England Grants**

**Overview**

The Arts Council announced a £160 million emergency response package to support individuals and organisations across the cultural sector in response to the Covid-19 crisis. This package can be broken down as follows:

* £90 million will be available for National Portfolio Organisations (NPOs);
* £50 million will be available for organisations outside the National Portfolio; and
* £20 million will be available to creative practitioners and cultural workers.

Organisations outside the National Portfolio are eligible for grants up to the value of £35k to help with urgent operational costs following loss of income, including:

* rent or other building costs;
* staff costs;
* overheads such as utilities, insurance etc.; and
* costs associated with keeping your organisation operational over the next six months.

**Eligibility**

Your organisation must have experience of delivering work that was funded (directly or indirectly) by bodies such as Arts Council England, National Lottery Heritage Fund, National Lottery Community Fund, local authorities, universities, public sector bodies, trusts and foundations, libraries, etc. Your organisation needs to have been part of the delivery of publicly funded work, even if they didn’t directly apply for the funding themselves.

**Applicability for Church of England**

This scheme could potentially apply to any cathedrals and churches.

### Implementation of the Scheme

Application can be made via online application forms. There are two rounds, one of which closed on 16 April. You can only apply to one of these rounds. Round two opened for applications on 16 April 2020. Applicants will need to register on Grantium by 27 April in order to make an application before the deadline of 30 April.

Further guidance can be found here:

<https://www.artscouncil.org.uk/funding/financial-support-organisations-outside-national-portfolio>

1. **National Lottery Heritage FUND Emergency GRANTS**

**Overview**

The National Lottery Heritage Fund has announced that it will give grants of up to £50k for organisations that they have previously funded and which are not eligible for other forms of support. The fund will be available for grants of between £3,000 and £50,000.

**Eligibility**

Grants will be available to organisations across the full breadth of heritage, including historic sites, industrial and maritime heritage, museums, libraries and archives, parks and gardens, landscapes and nature. Organisations which have received funding in the past and are either a current grantee, or still under contract following a previous grant, can apply. Priority will be given where:

* there is limited or no access to other sources of support;
* where heritage is most at risk; and
* where an organisation is at risk of severe financial crisis due to COVID-19.

**Applicability for Church of England**

This scheme could potentially apply to any churches. Given that priority will be given to organisations that are not in receipt of or eligible for any other kind of support it may be most applicable to smaller parish churches. You must still be within the grant terms of your award from the National Lottery Heritage Fund/Heritage Lottery Fund – this is usually 10 years. Churches who received funding under the Grants for Places of Worship fund will be eligible if they meet other criteria. You must demonstrate that you have exhausted all other funding options, so a confirmation of this may be required from your diocese (an Archdeacon or senior lay officer would be ideal).

As a result of dealing with the crisis, the Heritage Fund has closed to new applications for its general grants. This has impacted a number of churches who were planning applications and staff at the NCIs have raised this issue with the Chair of the Fund.

### Implementation of the Scheme

Further details including how to apply can be found here:

<https://www.heritagefund.org.uk/funding/heritage-emergency-fund> .

1. **NATIONAL LOTTERY COMMUNITY FUND (“NLCF”)**

**Overview**

The NLCF has been chosen to administer a large part of the money the government has made available to frontline charities. This is not likely to be relevant to most churches.

However, churches are eligible for the Community Fund’s general funds. Although there is no dedicated emergency fund, all the funding decisions made for the next six months (up to £300m of National Lottery funding) will be devoted to addressing the current crisis. To reach those groups best placed to support their communities at this vital time they will prioritise faster payments for existing grant holders and applicants using the following criteria:

• activities specifically geared to supporting communities through this crisis; and

• helping organisations overcome any liquidity issues caused by COVID-19.

**Eligibility**

Projects must address one or more of the three strategic priorities:

* bringing people together and build strong relationships in and across communities;
* improving the places and spaces that matter to communities; and
* helping more people to reach their potential, by supporting them at the earliest possible stage.

**Applicability for Church of England**

Churches and cathedrals are eligible for Community Fund funding for projects that address the priorities above, but not for projects aimed at furthering religion, or protecting heritage. For the latter category, the National Lottery Heritage Fund is the dedicated funder. An overtly religious elements of a project may well jeopardise an application

**Implementation of the scheme**

For more details on applying, and current deadlines, visit the website:

<https://www.tnlcommunityfund.org.uk/funding/programmes>

1. **Historic England Emergency FUND**

**Overview**

Historic England are offering emergency financial support for heritage organisations to run alongside other measures introduced by the Government and their partners in the heritage and cultural sectors. Applicants are invited to apply for grants of up to £25,000 to address financial difficulties arising from Coronavirus. Grants of up to £50,000 are also available for projects and activities that reduce risks to heritage by providing information, resources and skills.

**Eligibility**

The fund will be used to support third-sector organisations and voluntary groups managing heritage projects, as well as heritage organisations and self-employed contractors who are severely affected by the impact of Coronavirus and who need additional emergency financial support beyond the Government’s measures.

To be eligible for funding, proposals must address one of the following criteria:

* Emergency Revenue Funding; or
* Projects and Activities: which respond to the current crisis and will contribute to the recovery of the heritage sector.

Further details re eligibility can be found here:

<https://historicengland.org.uk/content/docs/grants/calls-for-proposals-covid-19-emergency-response-fund/>

**Applicability to the Church of England**

All places of worship are eligible for these funds, but they are likely to focus most on small organisations, and on those who are not eligible for other forms of grant-based support. Independent contractors and small businesses connected to the care of church buildings may be in a strong position to apply.

**Implementation of the scheme**

Applications should be made online through Historic England’s website. The deadline for applications is midnight on Sunday 3 May 2020 and it is expected that funding for successful applications will be awarded from mid-May. Further details including application forms can be found here: <https://historicengland.org.uk/coronavirus/fund/>

## APPENDIX 3

## OTHER ADVICE

## Insurance

If you have insurance cover for both pandemics and government-ordered closure, this should be triggered as the government and insurance industry confirmed on 17 March 2020 that advice to avoid pubs, theatres etc. is sufficient to make a claim as long as all other terms and conditions are met.

Insurance policies differ significantly, so please check the terms and conditions of your policy and contact your insurance provider. Most standard business interruption insurance policies are unlikely to provide cover as they are typically dependent on damage to property and will exclude pandemics.

**Mortgage Payment holiday**

The Chancellor announced that mortgage lenders would offer an initial three-month mortgage payment holiday for those in financial need as a result of the Covid-19 crisis.

**IR35**

The government has delayed the introduction of the off-payroll labour/IR35 reforms for private sector businesses until 6 April 2021.

**Property Rentals**

For entities that rent-out property, please be aware that if the tenant can’t pay rent, they can’t be evicted during the present situation. See here for more details:

<https://www.gov.uk/government/news/complete-ban-on-evictions-and-additional-protection-for-renters> .

**Trading while Insolvent**

The Business Secretary has announced new insolvency measures to help businesses hit by the coronavirus crisis. Legislation is to be introduced in Parliament at the earliest opportunity. Significantly, there is to be a three-month suspension of the wrongful trading rules in order to remove the threat of directors incurring personal liability whilst trading during the pandemic. The change in law is to be applied retrospectively from 1 March 2020 for an initial period of three months. However, all other “checks and balances” that help to ensure directors fulfil their legal duties properly will remain in force.

As this requires amendments to the Insolvency Act this will need to be passed by Parliament. The Easter recess ended today (21 April) so draft legislation which will clarify this issue is expected shortly. See here for information that is currently available:

<http://researchbriefings.files.parliament.uk/documents/CBP-8877/CBP-8877.pdf>

**Extensions of Filing Deadlines**

Companies House has announced that they will automatically accept applications for three month extensions to the filing deadline for filing annual accounts.

The Charity Commission have not announced an automatic extension but have indicated that applications for the extension of deadlines will be granted.

Where entities are governed by legislation, eg statutory bodies, extensions may not be possible.