

Written 29 March 2021

Welcome to our round up of the latest business and Covid-19 news for our clients. Please contact us if you want to talk about how these updates affect your business. We are here to support you through these tough times.

Is the end in sight?

The UK regional roadmaps for lifting lockdown are all moving along, and the next relation of rules starts this week with more freedom of movement and possibly all restrictions being lifted by the end of June.

The vaccine rollout continues, with more than 30 million people and over half of UK adults have now had the first dose. Phase one of the UK's plan is that by April all over 50s, care home residents, healthcare workers, people shielding and others with specific health conditions will have been offered the first dose and that by 31 July phase two will be finished with all adults offered the vaccination.



Despite the recent political statements and threats of withholding vaccines, common sense is prevailing and supply channels are continuing. This is positive news for businesses as we have hope towards a more normal Summer and beyond.

If you run a business and you can see the economy gradually returning to some kind of normal then now is the time to plan ahead and get your plan for recovery firmed up. Please talk to us about how we can help with finance, forecasts and a strategy for success, we have helped many businesses survive the pandemic and prepare for the future.

The question we are often asked is "What is the new normal"?

Many specialists say voluntary social distancing will continue and the wearing of face masks to prevent respiratory disease will remain a personal choice (as in South East Asia).

For businesses we have to weigh up the pros and cons of working from home as opposed to the office or business premises. If premises are Covid secure then the benefits of spontaneity, culture, companionship and energy probably outweigh working from home. That said there is the daily commute and some people have been more productive without it!

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk

Several industry leaders have commented that their employees are tired of working from home and they are missing business life and the collaboration with and seeing their colleagues and friends in the office.

Whatever the decision, you should consult all employees as to their preference sooner rather than later and be inclusive of all views, so you keep everyone on board and ready for the recovery.

For the foreseeable future we can see that regular workplace testing will be required, and the government announced over the weekend its expansion of the schemes to offer free rapid home testing for employees. Please see below for more details.

One area we can all see change is with business travel and whilst not suitable for all businesses - "virtual" meetings are already the new normal and we predict these will continue.

Technology means we can work remotely and perform a number of administrative tasks such as bookkeeping without the need for physical documentation. Making Tax Digital for all VAT registered businesses by April 2022 will further drive the move to Cloud accounting.

The government is also looking towards the future and has announced a review into further investment in cycling and walking and has set out a vision for a travel revolution in streets, towns and communities.



The four regional governments of the UK are all looking towards similar strategies and the English vision sets out the actions required at all levels of government to make the walking and cycling vision a reality, grouped under four themes:

- better streets for cycling and people
- cycling and walking at the heart of decision-making
- empowering and encouraging local authorities
- enabling people to cycle and protecting them when they do

Holidays in the sun?

A travel taskforce was formed last month to map out safe return to international travel. The group will focus on developing a framework to enable stakeholders from the aviation, maritime, cruise, international rail and tourism sectors to play a role in developing

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



recommendations to the government for safer travel. We know many of us will be planning a “Staycation” this summer, but it will be good news all round if international travel opens up as well later in the year – albeit with the new normal of a vaccination passport.

We can only stay positive and wait for things to improve!

Please talk to us about helping you prepare for the new normal, it will be our pleasure to help you with your plans or anything contained in this newsletter. We are with you all the way!

COVID-19 GOVERNMENT SUPPORT NEWS

Below is our weekly roundup of changes to government support information generally and for businesses, employers and the self-employed.

Workplace testing programme expands to offer free rapid home testing

The government makes rapid home testing available for all businesses with over 10 employees who cannot offer on-site testing, businesses must register interest by 12 April to access free tests.

Over 60,000 businesses across the country have already registered their interest to provide rapid tests to key workers. From 6 April, the workplace testing programme will supply home test kits to companies with over 10 workers where it is not possible to set up testing on-site, due to a lack of space or because companies operate across multiple sites.

Businesses across the country will be eligible to order the home test kits online to distribute to their employees. These self-test kits will be picked up by staff from their employer with instructions about how to take the test. Staff will then complete the home test in the normal way, before reporting their results to the NHS using the provided gov.uk address.

The workplace testing programme uses lateral flow tests (LFD) to rapidly detect the virus in 30 minutes. Swift detection of cases means those who test positive can isolate immediately and, in doing so, break chains of transmission and suppress the virus.

See: https://www.gov.uk/government/news/workplace-testing-programme-expands-to-offer-free-rapid-home-testing?utm_medium=email&utm_campaign=govuk-notifications&utm_source=8067c0f1-f1f5-44b2-b152-7125e6351e2b&utm_content=daily

Employer testing duty – Overseas travel

If you are an employer that requires staff to travel regularly across UK borders you must take reasonable steps to facilitate your employees to take tests.

- you employ more than 50 employees, of which some or all are required to take workforce tests, including agency workers you are responsible for
- your employees are required to complete testing after international travel

As an employer your ‘reasonable steps’ to facilitate the taking of tests might be:

- establishing workplace coronavirus (COVID-19) testing or providing your employee with home testing
- supporting access and signposting employees to testing outside of the workplace

See: https://www.gov.uk/guidance/coronavirus-covid-19-employer-testing-duty?utm_medium=email&utm_campaign=govuk-notifications&utm_source=a335614b-b9dc-4e5b-979a-25c71084b38c&utm_content=daily

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



Maintaining records of staff, customers and visitors to support NHS Test and Trace

Designated venues in certain sectors must have a system in place to request and record contact details of their customers, visitors and staff to help break the chains of transmission of coronavirus.

Venues in hospitality, the tourism and leisure industry, close contact services, community centres and village halls must:

- ask every customer or visitor (over the age of 16) to provide their name and contact details
- keep a record of all staff working on their premises and shift times on a given day and their contact details
- keep these records of customers, visitors and staff for 21 days and provide data to NHS Test and Trace if requested
- display an official NHS QR code poster so that customers and visitors can 'check in' using the NHS COVID-19 app as an alternative to providing their contact details
- adhere to General Data Protection Regulations (GDPR)

Hospitality venues have additional requirements and must also take reasonable steps to refuse entry to anyone who refuses to participate. Failure to do any of these requirements could result in fixed penalty fines. This guidance provides further instructions on how to fulfil the requirements.

See: https://www.gov.uk/guidance/maintaining-records-of-staff-customers-and-visitors-to-support-nhs-test-and-trace?utm_medium=email&utm_campaign=govuk-notifications&utm_source=b75f2469-bf6f-409a-9f89-d798717b5be5&utm_content=daily

Coronavirus Job Retention Scheme - update

Sections about the periods for when you can make a claim if your employee does training and details of when the claim will be publicly available have been updated.

Claims under the Coronavirus Job Retention Scheme (CJRS) are currently open for pay periods in March 2021. Claims for February are now closed, but if you find you need to make a change because you didn't claim enough you can do this until this coming Monday 29 March.

Guidance has been updated to explain that the earliest you can make a claim for May 2021 is 19 April 2021.

See: https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme?utm_medium=email&utm_campaign=govuk-notifications&utm_source=29c80338-5f7b-470a-9582-ff87ac0534a4&utm_content=daily

Temporary exemption from Income Tax benefit in kind charge for employees who get a coronavirus antigen test from their employer.

This instrument provides for a new temporary exemption to make sure that employees who are given a relevant coronavirus antigen test by their employer, will not be liable to an Income Tax benefit in kind (BiKs) charge.

The exemption will apply to any relevant coronavirus antigen test provided by an employer, on or after 8 December 2020, until and including, 5 April 2021. For any relevant tests which have been provided earlier in the tax year, before this instrument comes into force, HMRC will exercise its collection and management discretion and will refrain from collecting any Income Tax or Class 1A National Insurance contributions due on the provision of a test.

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



See: <https://www.gov.uk/government/publications/income-tax-and-national-insurance-contributions-exemption-for-employer-provided-coronavirus-antigen-tests/income-tax-and-national-insurance-contributions-exemption-for-employer-provided-coronavirus-antigen-tests>

How to treat certain expenses and benefits provided to employees during coronavirus (COVID-19)

The guidance on taxable expenses and benefits when they are paid to employees because of coronavirus, and how to report them to HMRC, has been updated with information about paying or refunding transport costs for employees.

See: https://www.gov.uk/guidance/how-to-treat-certain-expenses-and-benefits-provided-to-employees-during-coronavirus-covid-19?utm_medium=email&utm_campaign=govuk-notifications&utm_source=2cbfc26a-61df-4d82-a5f5-6d4e3ffc8fc6&utm_content=daily

Pay VAT deferred due to coronavirus

You can pay now or join the VAT deferral new payment scheme for VAT payments deferred between 20 March and 30 June 2020.

Information about the maximum number of instalments that are available to you has been updated.

Instalment options available to you - When you decide to join the scheme will determine the maximum number of instalments that are available to you.

The following table sets out the monthly joining deadlines (to allow for Direct Debit processing) and the corresponding number of maximum instalments (including the first payment):

If you join by	Number of instalments available to you
-----------------------	-----------------------------------------------

19 March 2021	11
---------------	----

21 April 2021	10
---------------	----

19 May 2021	9
-------------	---

21 June 2021	8
--------------	---

See: https://www.gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19?utm_medium=email&utm_campaign=govuk-notifications&utm_source=51df7d2d-23cd-4881-978b-9a26e39ce1f2&utm_content=daily

Revenue and Customs Brief 4 (2021): partially exempt VAT registered businesses affected by coronavirus (COVID-19)

This brief outlines an accelerated process for VAT registered businesses to request temporary alterations to their partial exemption methods (including combined methods) to reflect changes to their business practices because of the coronavirus (COVID-19) pandemic.

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



Businesses who make a mixture of taxable and exempt supplies can only recover input tax to the extent that it is used in making taxable supplies. Residual input tax (VAT incurred on purchases used to make both taxable and exempt supplies) must be apportioned using a fair and reasonable method to calculate the percentage which is recoverable.

The standard method, based on the value of taxable supplies made as a proportion of all supplies made by the business, is the default method. A Partial Exemption Special Method (PESM) may, however, be used if HMRC is satisfied that it would produce a fairer reflection of the use of residual input tax than the standard method. Proposed PESMs must be approved by HMRC before they can be used.

Businesses using the standard method may, in any given tax year, find that their actual deductible input tax differs significantly from that calculated based on the use of input tax in making taxable supplies. Where this difference exceeds £50,000, or 50% of the residual input tax and £25,000, they must account for the difference between the 2 amounts by applying the standard method override.

A special method override may be required when an existing PESM is found to be unfair. A business can serve a Special Method Override Notice on HMRC, or HMRC can serve one on the business.

HMRC will be using an accelerated process to make sure coronavirus-related changes to partial exemption methods are considered, and where appropriate, approved swiftly.

Requests for such changes should be sent to the email address: PESMcovid19@hmrc.gov.uk.

All PESM requests must be accompanied by a declaration that the method proposed is fair and reasonable. An example of the format this should take is available in [appendix 1 of Partial Exemption \(VAT Notice 706\)](#).

Where we are satisfied that the aim of the proposal is to address coronavirus issues only, in order to facilitate a quick decision, HMRC will restrict its enquiries to how that proposal addresses those issues. Where there may be significant risk that the remainder of the existing method produces an overall result which is not fair and reasonable, further examination of that method will be considered.

HMRC will apply normal scrutiny to method requests where there is a risk the accelerated process is being used to increase recovery for businesses whose activities have not been directly affected by coronavirus.

See: <https://www.gov.uk/government/publications/revenue-and-customs-brief-4-2021-partially-exempt-vat-registered-businesses-affected-by-coronavirus-covid-19/revenue-and-customs-brief-4-partially-exempt-vat-registered-businesses-affected-by-coronavirus-covid-19>

Construction update - planning and construction working hours

On 13 May 2020, the government published a written ministerial statement on planning and construction working hours. This statement expects local planning authorities to approve requests to extend construction working hours temporarily to ensure safe working in line with social distancing guidelines until 9pm, Monday to Saturday, unless there are very compelling reasons against this. A new written ministerial statement was published 25 March 2021 extending the end date of the original statement to 30 September 2021.

Developers should expect their local planning authority to grant temporary changes to construction working hours until 9pm or later, 6 days a week, wherever possible and where construction working hours are controlled by planning condition. This flexibility is in relation to control imposed by the planning system only.

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



A developer wishing to amend their conditioned construction working hours should contact their local planning authority. They will be able to tell you whether they are happy to agree amended working hours informally, or whether you need to submit a formal application as well as through which route.

See: https://www.gov.uk/guidance/coronavirus-covid-19-construction-update-qa?utm_medium=email&utm_campaign=govuk-notifications&utm_source=59e168b2-8a28-4f9b-9982-29c9437208f7&utm_content=daily

Vocational and technical qualifications contingency regulatory framework

A new version of the regulatory framework for awarding vocational and technical qualifications has been uploaded due to a technical issue in the previous document. This document is part of a suite of documents which sets out the regulatory requirements for awarding organisations offering vocational and technical qualifications affected by the coronavirus (COVID-19) pandemic.

This document sets out the vocational and technical qualifications contingency regulatory framework (the VCR Conditions). These conditions come into effect on 24 March 2021 for all vocational and technical qualifications which fall within categories A and B as defined in Condition VCR1.8.

It also sets out the requirements in relation to the following:

- the adaptation of Category A qualifications and Category B qualifications
- the determination of results for Category B qualifications
- the principles to be applied by awarding organisations when adapting Category A qualifications and Category B qualifications and when determining results for Category B qualifications

See: https://www.gov.uk/government/publications/vocational-and-technical-qualifications-contingency-regulatory-framework?utm_medium=email&utm_campaign=govuk-notifications&utm_source=f5b159aa-9285-4782-85be-e8212c3a0eb5&utm_content=daily

Corporate Insolvency and Governance Act 2020

On 25 June 2020, the Corporate Insolvency and Governance Act 2020 (the Act) received royal assent. It came into force on 26 June 2020.

The measures introduced by the Act were designed to relieve the burden on businesses during the coronavirus (COVID-19) outbreak and allow them to focus all their efforts on continuing to operate.

The automatic extensions granted by the Corporate Insolvency and Governance Act will come to an end for filing deadlines that fall after 5 April 2021.

See: https://www.gov.uk/government/publications/corporate-insolvency-and-governance-act-2020?utm_medium=email&utm_campaign=govuk-notifications&utm_source=9992b7d6-2ed6-4187-ae30-d8da3a22f2b8&utm_content=daily

Business ratepayers adversely affected by COVID-19 are to get a £1.5 billion discount on their bills

A new Business Rates relief fund of £1.5 billion for businesses affected by COVID-19 outside the retail, hospitality, and leisure sectors has been announced with targeted support delivered as appeals against rates bills on basis of material changes of circumstance due to the pandemic to be ruled out. The government hopes their relief fund will get cash to affected businesses in the most proportionate and equitable way.

The government set out plans to provide an extra, targeted support package for businesses who have been unable to benefit from the existing £16 billion business rates relief for retail,

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



hospitality and leisure businesses. Retail, hospitality and leisure businesses have not been paying any rates during the pandemic, as part of a 15 month-long relief which runs to the end of June this year.

Many of those ineligible for relief have been appealing for discounts on their rates bills, arguing the pandemic represented a 'material change of circumstance' (MCC).

The government has made it clear that market-wide economic changes to property values, such as from COVID-19, can only be properly considered at general rates revaluations, and will therefore be legislating to rule out COVID-19 related MCC appeals.

Instead the government will provide a £1.5 billion pot across the country that will be distributed according to which sectors have suffered most economically, rather than on the basis of falls in property values, ensuring the support is provided to businesses in England in the fastest and fairest way possible.

The governments rationale is that allowing business rates appeals on the basis of a 'material change in circumstances' could have led to significant amounts of taxpayer support going to businesses who have been able to operate normally throughout the pandemic and disproportionately benefitting particular regions like London.

Business rates are devolved so the devolved administrations in Scotland, Wales and Northern Ireland will receive an additional £285 million through the Barnett formula as a result of today's announcement.

See: https://www.gov.uk/government/news/business-rates-relief-boosted-with-new-15-billion-pot?utm_medium=email&utm_campaign=govuk-notifications&utm_source=44be092e-7027-4b62-9204-d08f2ee3e9e8&utm_content=daily

NHS Test and Trace in the workplace

Guidance on what to do if you or someone you employ is contacted by NHS Test and Trace, including self-isolation, sick pay and financial support has been updated. All employers should keep up to date with this guidance.

The reporting an outbreak campaign containing the action card resources has now closed down as other guidance is in place. Please do not refer to the action card resources in your workplace setting, instead please refer to the government guidance listed below. The action card section of this page will be removed on 30 April 2021.

See: https://www.gov.uk/guidance/nhs-test-and-trace-workplace-guidance?utm_medium=email&utm_campaign=govuk-notifications&utm_source=ed4cb274-0586-49d9-b995-333f021d5a92&utm_content=daily

Ventilation of indoor spaces to stop the spread of coronavirus - England

Guidance on the ventilation of indoor spaces to stop the spread of coronavirus (COVID-19) has been updated. Ventilation should be considered as part of making your workplace or indoor public space COVID-secure.

Control measures, such as avoiding certain activities or gatherings, restricting or reducing the duration of activities, providing ventilation breaks during or between room usage, should be considered alongside ventilation for reducing the risk of airborne transmission.

Any actions to improve ventilation should not compromise other aspects of safety and security (for example, avoid propping open fire doors), and should consider other consequences such as health and wellbeing impacts from thermal discomfort.

Employers should provide employees with clear guidance on ventilation, why it is important, and instruction on how to achieve and maintain good natural ventilation or to operate systems if there are user controls.

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk



See: <https://www.gov.uk/government/publications/covid-19-ventilation-of-indoor-spaces-to-stop-the-spread-of-coronavirus/ventilation-of-indoor-spaces-to-stop-the-spread-of-coronavirus-covid-19>

Exemption from National Insurance contributions for COVID-19 Test and Trace Support Payments – England

This measure disregards payments made under the Test and Trace Support Payment Scheme in England to employees who are on a low income and have been asked to self-isolate by NHS Test and Trace (NHSTT) so that payments made under the scheme will not be liable to employer or employee Class 1 National Insurance contributions. Employers will also not be liable to Class 1A National Insurance contributions in respect of the payments. The Test and Trace Support Payment Scheme was piloted in Blackburn with Darwen, Pendle and Oldham from 1 September 2020.

On 20 September 2020, the government announced that from 28 September 2020 the pilot would be adapted and rolled out across England. People on low incomes who have tested positive for coronavirus (Covid-19) or have been told by NHSTT to self-isolate, that cannot work from home and have lost income as a result would be supported by a Test and Trace Support payment of £500. This lump sum payment aims to provide additional financial support to those on low incomes so they can self-isolate and help stop the spread of the coronavirus.

See: <https://www.gov.uk/government/publications/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments/exemption-from-national-insurance-contributions-for-covid-19-test-and-trace-support-payments>

Driver and rider trainer guidance – update England

Changes have been made on how driving instructors and motorcycle trainers should work safely during coronavirus (COVID-19), business support, and restrictions on driving lessons. The guidance has been updated to confirm that motorcycle training, bus training and tests, Driver CPC part 4 (practical demonstration) tests, and specialist vehicle training and tests in England will restart on 29 March 2021, and that motorcycle tests in England will restart on 12 April 2021.

See: <https://www.gov.uk/government/publications/coronavirus-restarting-driver-and-rider-training-and-tests/coronavirus-restarting-driver-and-rider-training-and-tests>

Closing certain businesses and venues in England

This guidance sets out restrictions on certain businesses and venues in England during National Lockdown. Changes have been made with updates to the sections on business support and business rates, the inclusion of this information on the business re-openings page, which closed venues can now be used for the purposes of completing the census, clarifying that photography stores are closed by law, rather than photography studios (which are only restricted through the stay at home measure) and updating language on the business closures page to reflect that people can leave their home to partake in outdoor recreation as well as exercise and the venues this can take place in.

See: https://www.gov.uk/government/publications/further-businesses-and-premises-to-close?utm_medium=email&utm_campaign=govuk-notifications&utm_source=ef15c89b-2177-4612-aa8f-a706b25c59e7&utm_content=daily

Please contact a member of our team if you would like to discuss any of the issues raised.

Call: **020 7684 0606** Email: team@avar.co.uk Website: www.avar.co.uk

