

18 March 2020

# **Briefing Note**

### **CECA Member Briefing:**

# Covid-19: CECA update

#### Introduction

This short briefing has been prepared on by CECA to brief member companies and individuals on the ongoing repercussions of the Covid-19 coronavirus for our sector. It is intended that this briefing will be delivered daily in the coming weeks.

#### Coronavirus Business Interruption Loan Scheme

Yesterday (17 March) Chancellor Rishi Sunak announced that £330 billion of loans to firms impacted by Covid-19. The loans are intended to support any business to access cash to pay their rent, salaries, and suppliers. The loans will carry no interest for the first six months. Loans should be available from early next week via high street banks.

#### Grants to small businesses

The Chancellor announced that it would increase grants to businesses eligible for Small Business Rate Relief from £3,000 to £10,000. Companies that this applies to will not need to do anything – you will be contacted by your local authority.

#### **IR35**

The Government has announced that – in response to the Covid-19 crisis - it is postponing the introduction of new off-payroll working rules (known as IR35) from 6 April 2020 to 6 April 2021.

#### Joint Industry Letter to the Prime Minister

Yesterday (17 March) the Construction Leadership Council and leading sector trade bodies including CECA wrote to Prime Minister Boris Johnson outlining the immediate difficulties faced by the sector. The letter calls for:

- Government to ask all public sector construction clients to continue to pay their contractors and supply chains
- Government to ensure all construction sites throughout the UK are able to remain open, as long as they are able to do so responsibly
- Government to consider implementing financial measures, such as the deferral of VAT and PAYE payments, that will reduce the burden on business and keep cash moving as long as possible.

#### **Government Advice to Employers**

Government advice to employers can be read here. It will shortly be updated with details of yesterday's announcements on business support.

#### **Foreign Travel**

Yesterday (17 March) the Foreign and Commonwealth Office (FCO) advised all British nationals to avoid nonessential foreign travel to help tackle the spread of coronavirus. This advice is to remain in place for 30 days initially, but could be subsequently extended as the situation develops.

#### **CSCS**

Companies have highlighted concerns about maintaining competence cards where it is impossible to undergo renewal assessment. CSCS has prepared advice on this issue, which is available here.

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#### **Association of British Insurers**

The Association of British Insurers has issued a statement on the closure of businesses and the impact of Coronavirus (COVID-19) which can be read in full here.

#### Your feedback is vital

To help us to continue to support you, we welcome feedback from members. <u>Please take five minutes to fill in this survey</u> which lets us know of the issues you face, and offers opportunity to provide specific feedback on Coronavirus Business Interruption Loan Scheme.

For further information, please contact CECA Chief Executive Alasdair Reisner on 07977 151 912 or by e-mail: alasdairreisner@ceca.co.uk.