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Written 17 May, 2021

## **BUSINESS NEWS ENGLAND**

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.

### **More than 20 million UK adults receive both doses of COVID-19 vaccine**

More than 36 million people in the UK have been vaccinated with 1 dose and 20 million have received 2 doses. The country's most vulnerable are to be offered their second COVID-19 vaccine earlier, the government has announced, as part of plans to tackle rising cases of the B.1.617.2 variant of concern first identified in India.

Appointments for a second dose of a vaccine will be brought forward from 12 to 8 weeks for the remaining people in the top 9 priority groups who have yet to receive their second dose. This is to ensure people across the UK have the strongest possible protection from the virus at an earlier opportunity.

Public Health England (PHE) [analysis shows for the first time](#) that individuals who receive a single dose of the AstraZeneca vaccine have approximately 80% lower risk of death with COVID-19 compared with unvaccinated individuals.



The report also shows protection against death from the Pfizer-BioNTech vaccine rises from approximately 80% after one dose to 97% after 2 doses.

Separate [new PHE analysis](#) also confirms the Pfizer-BioNTech vaccine is highly effective in reducing the risk of hospitalisation, especially in older ages.

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## How the Lockdown rules change today

From 17 May government advice is we should continue to work from home if we can and below we summarise the new relaxed lockdown rules:

- Gathering limits will be eased. Outdoor gatherings will be limited to 30 people and indoor gatherings will be limited to 6 people or 2 households (each household can include a support bubble, if eligible).
  - New guidance on meeting friends and family will emphasise personal responsibility rather than government rules. Instead of instructing you to stay 2m apart from anyone you don't live with, you will be encouraged to exercise caution and consider the guidance on risks associated with COVID-19 and actions you can take to help keep you and your loved ones safe. Remember that the risks of close contact may be greater for some people than others and in some settings and circumstances, there will be specific guidance that you will need to follow even when you are with friends and family.
  - Indoor entertainment and attractions such as cinemas, theatres, concert halls, bowling alleys, casinos, amusement arcades, museums and children's indoor play areas will be permitted to open with COVID-secure measures in place.
  - People will be able to attend indoor and outdoor events, including live performances, sporting events and business events. Attendance at these events will be capped according to venue type, and attendees should follow the COVID-secure measures set out by those venues.
  - Indoor hospitality venues such as restaurants, pubs, bars and cafes can reopen.
  - Organised indoor sport will be able to take place for all (this includes gym classes). This must be organised by a business, charity or public body and the organiser must take reasonable measures to reduce the risk of transmission.
  - All holiday accommodation will be open (including hotels and B&Bs). This can be used by groups of up to 6 or 2 households (each household can include a support bubble, if eligible).
  - Funeral attendance will no longer be limited to 30 people but will be determined by how many people the COVID-secure venue can safely accommodate with social distancing. Limits at weddings, wakes and other commemorative events will be increased to 30 people. Other significant life events, such as bar/bat mitzvahs and christenings, will also be able to take place with 30 people.
  - The rules for care home residents visiting out and receiving visitors will change, allowing up to five named visitors (two at any one time), provided visitors test negative for COVID-19.
  - All higher education students will be able to access in-person teaching.
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- Support groups and parent and child group gathering limits will increase to 30 people (not including under 5s)
  - There will no longer be a legal restriction or permitted reason required to travel internationally. There will be a traffic light system for international travel, and you must follow the rules when returning to England depending on whether you return from a red, amber or green list country.

### **ONS confirms economy growing**

The Office for National Statistics (ONS) have published their latest figures on the economy showing that:

- Monthly gross domestic product (GDP) grew by 2.1% in March 2021, but remained 5.9% below its level in February 2020, which was the most recent month not affected by the coronavirus (COVID-19) pandemic.
- The rise in GDP was led by a month-on-month rise of 1.9% in services in March 2021, but this sector remained 7.2% below its February 2020 level; the monthly rise in services was led by the education sector (contributing 0.54 percentage points of the growth).
- Monthly production grew by 1.8% between February 2021 and March 2021 but remained 1.8% below its February 2020 level; the monthly rise in production was led by manufacturing (contributing 1.51 percentage points of the growth).
- Monthly manufacturing grew by 2.1% between February 2021 and March 2021 but remained 2.2% below its February 2020 level; the monthly rise was led by manufacturing of machinery and equipment not elsewhere classified.
- Monthly construction grew by 5.8% between February 2021 and March 2021, meaning it was 2.4% above its February 2020 level.

We expect these positive figures to continue as we go through the summer, lock down restrictions are eased and if you need any help in planning for growth with your business and the incentives and finance available please call us.

### **HMRC urge businesses to carry out due diligence into their labour supply chain**

HMRC is warning organisations about the use of mini umbrella companies in the labour supply chain and the need to carry out due diligence to protect the organisation from financial and reputational damage.

Without a careful review of their labour supply chain the end user could find themselves liable for tax, national insurance and VAT avoided by entities inserted in the labour supply chain between them as end user and the workers engaged via the umbrella structure. This was highlighted in a recent BBC programme which identified 48,000 umbrella companies set up to exploit the £4,000 employment allowance. These companies were set up to supply

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workers to the NHS Covid testing programme outsourced to G4S. Similar arrangements continue to be marketed to allegedly sidestep the new “off-payroll” working rules.

If you use agency or temporary workers or are an agency providing workers, you or one of the other parties in the labour supply chain may need to operate PAYE on the workers’ earnings – you should check who needs to do this. HMRC have provided the following advice on due diligence procedures:

See: [Advice on applying supply chain due diligence principles to assure your labour supply chains - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/advice-on-applying-supply-chain-due-diligence-principles-to-assure-your-labour-supply-chains)

### **What are the risks?**

HMRC can ask you to account for unpaid tax and National Insurance contributions. For example, if an offshore agency supplies you with workers and they do not account for tax and National Insurance contributions payable through the PAYE system, then you may have to.

To increase compliance with the off-payroll working rules in the private and voluntary sectors, organisations receiving an individual’s services (where the individual works through their own intermediary, most commonly their own limited company) are now responsible for assessing that individual’s employment status and determining whether the rules apply from April 2021. This reform already applies in the public sector where an individual works through their own intermediary.

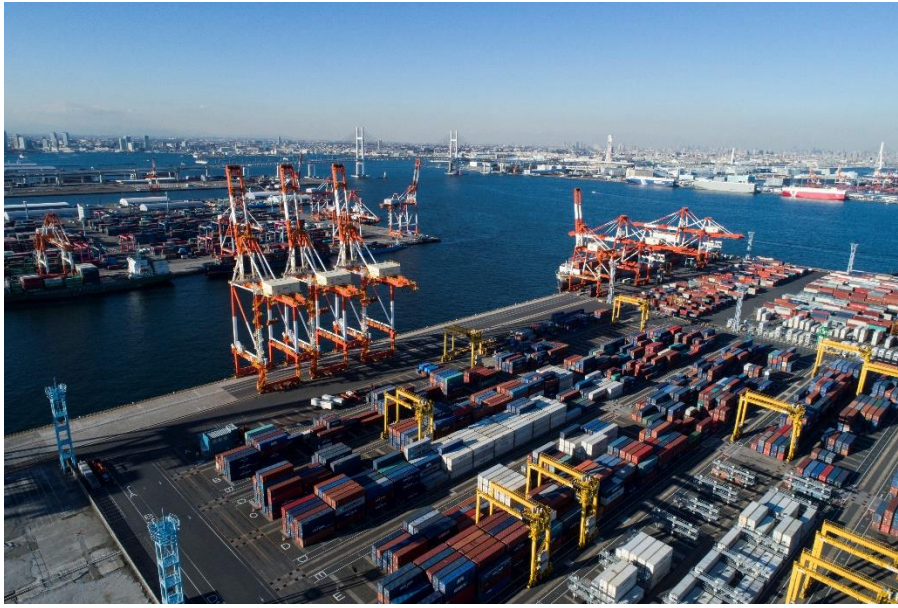
The off-payroll working reform from April 2021 will also provide HMRC with the power to recover unpaid tax and National Insurance contributions from you, or the agency you contract with in some circumstances – if, for example, a UK-based agency lower down in your labour supply chain fails to account for tax and National Insurance contributions payable through the PAYE system under the off-payroll working rules and there is no realistic prospect of recovering the tax and National Insurance contributions from them. This change will apply to the public, private and voluntary sectors.

See: [10 things about due diligence: supply chain assurance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/10-things-about-due-diligence-supply-chain-assurance)

### **Employers’ NICs Relief for employees working in Freeport tax areas**

The government have announced a new zero rate of secondary Class 1 National Insurance contributions (NICs) for eligible employers on the earnings of eligible employees working in a Freeport tax site.

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In Great Britain (England, Scotland and Wales), this measure will provide those employers with physical premises in a Freeport tax site (Freeport employers) with a zero rate of secondary Class 1 National Insurance contributions on the earnings of new employees who spend 60% or more of their working time within Freeport tax site. This rate can be applied on the earnings of all new hires up to £25,000 per annum from 6 April 2022 for 36 months per employee. Legislation to introduce the relief is included in the National Insurance Contributions Bill 2021.

This measure is in addition to the tax breaks and Customs Duty exemptions announced in the March Budget for businesses operating in these designated areas.

The first 8 Freeports announced in the Budget are located at East Midlands Airport, Felixstowe & Harwich, Humber, Liverpool City Region, Plymouth and South Devon, Solent, Teesside and Thames.

See: [Zero-rate of secondary NICs for Freeport employees - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/zero-rate-of-secondary-nics-for-freeport-employees)

## **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.

### **Coronavirus and changing young people's labour market outcomes in the UK: March 2021**

The Office for National Statistics (ONS) have performed an analysis of labour market outcomes for young people (aged 16 to 24 years), how the young people were impacted by the coronavirus (COVID-19) pandemic.

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Their findings are unsurprising in many ways and optimistic for the future employment prospects of the younger workforce. The main points are:

- Young people's employment rate saw a large decline in 2020 compared with 2019, while their unemployment and economic inactivity rates increased.
- After an initial fall in young people in full-time education in the first few months of the pandemic, the proportion of young people in full-time education increased in the second half of 2020, reaching a new high of 46.8% in Quarter 3 (July to Sept) 2020.
- The number of young people employed in the accommodation and food services industry who moved to unemployment or economic inactivity increased by more than 50% in Quarter 2 (April to June) 2020 compared with Quarter 2 2019.
- Young people who worked part-time moved from employment to economic inactivity at a faster rate than they moved to unemployment in 2020.
- Young people's labour mobility (job-to-job moves) declined more during the pandemic than for older age groups.

See: [Coronavirus and changing young people's labour market outcomes in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/news-and-analysis/news-releases/2020/11/11/coronavirus-and-changing-young-peoples-labour-market-outcomes-in-the-uk)

### **NHS Test and Trace in the workplace**

The 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 following the recent relaxations in lockdown rules.

See: [NHS Test and Trace in the workplace - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/nhs-test-and-trace-in-the-workplace)

### **Self-Employment Income Support Scheme (SEISS) - Help and support if your business is affected by coronavirus**

Watch videos and register for the free webinars to learn more about the support available to help you deal with the economic impacts of coronavirus. A catch up webinar for the SEISS – fourth grant has been added. This webinar takes you through the aim of the scheme, who can apply, how much you may be entitled to, how to claim the fourth grant, and what happens after you have claimed.

See: [Help and support if your business is affected by coronavirus \(COVID-19\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/help-and-support-if-your-business-is-affected-by-coronavirus-covid-19)

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## Help to Grow your business

The government's new Help to Grow programme is now open for registrations and will launch in June. The programme will help small and medium sized businesses across the UK learn new skills, reach new customers and improve profits.

The Help to Grow Management scheme offers small businesses a 12 week programme delivered by leading business schools across the UK, accredited by the Small Business Charter. The programme will combine a practical curriculum, with 1:1 support from a business mentor, peer-learning sessions and an alumni network. Designed to be manageable alongside full-time work, this programme will support small business leaders to develop their strategic skills with key modules covering financial management, innovation and digital adoption. By the end of the programme participants will develop a tailored business growth plan to lead their business to its full potential.

30,000 places will be available over 3 years. The programme is 90% subsidised by government – participants will be charged £750.

### Who is it for?

UK businesses from any sector that have been operating for more than 1 year, with between 5 to 249 employees are eligible. The participant should be a decision maker or member of the senior management team within the business e.g. Chief Executive, Finance Director etc. Charities are not eligible.

Register your interest here: [Help to Grow - Management - Small Business Charter](#)

The Help to Grow Digital Scheme will enable small businesses to get free impartial advice on how technology can boost their performance through a new online platform. The scheme starts this Autumn.

Eligible businesses will also be able to get a discount of up to 50% on the costs of approved software, worth up to £5,000. Vouchers are initially expected to be available for software that helps businesses:

- build customer relationships and increase sales
- make the most of selling online
- manage their accounts and finances digitally

### Who is it for?

All businesses will be able to benefit from free online advice on the platform.

The voucher is expected to be available to UK business that:

- employ between 5 and 249 employees and are registered at Companies House
- have been trading for more than 12 months
- are purchasing the discounted software for the first time

Full details on the businesses and software eligible for the voucher will be published this summer.

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Register your interest here: [Company registration number - Help to Grow: Digital - GOV.UK \(register-help-to-grow-scheme.service.gov.uk\)](https://www.gov.uk/register-help-to-grow-scheme)

This may be useful to help businesses preparing for Making Tax Digital (MTD) for income tax self-assessment and MTD for corporation tax. Please contact us if you would like to discuss digital accounting.

### **Private providers of coronavirus testing**

The Lists of and information about private providers who have self-declared that they meet the government's minimum standards for the type of commercial COVID-19 testing service they offer have been updated.

See: [Private providers of coronavirus testing - GOV.UK \(www.gov.uk\)](https://www.gov.uk/private-providers-of-coronavirus-testing)

### **New 'We Offer Testing to our Staff' scheme launched**

A new sticker scheme will allow businesses to easily show they are testing their staff regularly has been launched.

A new scheme for businesses offering workplace testing for staff through NHS Test and Trace has been launched across the UK. It will show customers, employees and the wider public the businesses that are going the extra mile to keep their staff and the public safe.

In addition to workplace testing, business owners and staff should all follow essential behaviours such as 'Hands, Face, Space, Fresh Air' and, where applicable, checking customers and visitors in using the [NHS COVID-19 app](https://www.nhs.uk/COVID-19-app).

Businesses that offer rapid workplace testing to staff, either through on-site testing or workplace test collection, will be able to download posters and stickers to demonstrate their offer for free, regular testing to their employees keeping people safe.

More than 122,000 businesses have signed up for free workplace testing already, using free government-supplied rapid test kits from NHS Test and Trace. All organisations that registered before 12 April and self-declared their involvement are eligible for the scheme.

Participating firms will be able to access digital assets including stickers and posters from Tuesday 11 May and can be accessed by participating firms online via the online ordering platform.

The aim is by prominently displaying the stickers on their websites or on their premises, alongside existing materials which promote checking customers and visitors in, businesses will be able to demonstrate to their customers that the health of staff, customers and their local communities is a key priority.

See: [New 'We Offer Testing to our Staff' scheme launched - GOV.UK \(www.gov.uk\)](https://www.gov.uk/new-we-offer-testing-to-our-staff-scheme-launched)

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## Right to work checks – Temporary measures ending on 20 June

Advice for employers carrying out right to work checks during the coronavirus pandemic has been updated and replaces previous guidance issued on 20 April 2021.

The temporary COVID-19 adjusted right to work checks will now end on 20 June 2021, and from 21 June 2021 employers will revert to face to face and physical document checks as set out in legislation and guidance.

This is aligned with the easing of lockdown restrictions and social distancing measures, as set out in the roadmaps for all regions of the UK.

### Updated advice for employers carrying out right to work checks during the coronavirus (COVID-19) pandemic.

The following temporary changes were made on 30 March 2020 and remain in place until 20 June 2021 (inclusive):

- checks can currently be carried out over video calls
- job applicants and existing workers can send scanned documents or a photo of documents for checks using email or a mobile app, rather than sending originals
- employers should use the [Employer Checking Service](#) if a prospective or existing employee cannot provide any of the accepted documents

Checks continue to be necessary and you must continue to check the prescribed documents set out in [right to work checks: an employer's guide](#) or use the [online right to work checking service](#). It remains an offence to knowingly employ anyone who does not have the right to work in the UK.

### Checking an individual's right to work using the temporary COVID-19 adjusted check measures

Up to and including 20 June 2021, if you are carrying out a temporary adjusted check, you must:

- ask the worker to submit a scanned copy or a photo of their original documents via email or using a mobile app
- arrange a video call with the worker – ask them to hold up the original documents to the camera and check them against the digital copy of the documents record the date you made the check and mark it as “adjusted check undertaken on [insert date] due to COVID-19
- if the worker has a current Biometric Residence Permit or Biometric Residence Card or has been granted status under the EU Settlement Scheme or the points-based immigration system you can use the [online right to work checking service](#) while doing a video call - the applicant must [give you permission to view their details](#).

### End of temporary adjustments

The temporary adjustments to Right to Work checks due to COVID-19 are ending.

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From 21 June 2021 you must either:

- [check the applicant's original documents](#), or
- [check the applicant's right to work online](#), if they've given you their share code

#### Retrospective checks

You do not need to carry out retrospective checks on those who had a COVID-19 adjusted check between 30 March 2020 and 20 June 2021 (inclusive). This reflects the length of time the adjusted checks have been in place and supports business during this difficult time.

You will maintain a defence against a civil penalty if the check you have undertaken during this period was done in the prescribed manner or as set out in the COVID-19 adjusted checks guidance.

It remains an offence to work illegally in the UK. Any individual identified who is disqualified from working by reason of their immigration status, may be liable to enforcement action.

If the job applicant or existing worker cannot show their documents

You must contact the Home Office Employer Checking Service. If the person has a right to work, the Employer Checking Service will send you a 'Positive Verification Notice'. This provides you with a statutory excuse for 6 months from the date in the notice.

See: [Coronavirus \(COVID-19\): right to work checks - GOV.UK \(www.gov.uk\)](#)

### **Providing apprenticeships during the coronavirus (COVID-19) pandemic**

This guidance is for apprenticeship training providers (providers), employers, end-point assessment organisations (EPAOs) and apprentices.

It describes:

- how and when apprentices can safely train and undertake an assessment in the workplace, education and assessment settings
- the temporary flexibilities which apply during the coronavirus (COVID-19) pandemic

It should be read alongside:

- the [safer working guidance](#)
  - the [further education \(FE\) operational guidance](#)
  - the government's [coronavirus \(COVID-19\) guidance and support for businesses](#)
  - the [apprenticeship funding rules](#)
  - the [Institute for Apprenticeships and Technical Education guidance](#)
  - the [public health guidance to support exams](#)
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The aim is to help employers and apprentices start, continue and complete their apprenticeships wherever possible. Some of this guidance can be found on the [apprenticeship service help page](#) for employers, providers and assessment organisations, as well as in [articles for apprentices](#).

#### On-site training and assessment

From 8 March 2021, all apprentices can attend on-site training and assessment. The only exception is apprentices in higher education (HE) who can only return to HE settings if they need practical training and access to specialist equipment and facilities.

From 17 May 2021, all apprentices in HE can return to in-person teaching and learning alongside Step 3 of the [roadmap out of lockdown](#).

See: [Providing apprenticeships during the coronavirus \(COVID-19\) pandemic - GOV.UK \(www.gov.uk\)](#)

#### **Vocational, technical and other general qualifications in 2021 – Wales, England and Northern Ireland**

Publications relating to the awarding of vocational, technical and other general qualifications in the academic year 2020 to 2021 has been updated with a 2021 student guide.

See: [Vocational, technical and other general qualifications in 2021 - GOV.UK \(www.gov.uk\)](#)

#### **Demonstrating your COVID-19 vaccination status when travelling abroad - England**

How to demonstrate your coronavirus (COVID-19) vaccination status to show that you've had the full course of the COVID-19 vaccine and access this status when travelling abroad.

COVID-19 vaccination status is available to people who live in England. You can get your vaccination status in digital or paper format. The service went live from Monday 17 May.

See: [Demonstrating your COVID-19 vaccination status when travelling abroad - GOV.UK \(www.gov.uk\)](#)

#### **Maintaining records of staff, customers and visitors to support NHS Test and Trace – England**

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. This has been updated in line with step 3 of the roadmap to explain how certain venues should be collecting customer, visitor and staff contact details and displaying an NHS QR code poster.

See: [Maintaining records of staff, customers and visitors to support NHS Test and Trace - GOV.UK \(www.gov.uk\)](#)

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## **We Offer Testing to our Staff (WOTTOS): endorsement scheme - England**

Guidance about a simple and free voluntary promotional scheme for firms who are participating in the government's free coronavirus (COVID-19) workplace testing programme.

See: [We Offer Testing to our Staff \(WOTTOS\): endorsement scheme - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/we-offer-testing-to-our-staff-wottos-endorsement-scheme)

## **Claiming financial support under the Test and Trace Support Payment scheme – England**

The £500 Test and Trace Support Payment is for people on low incomes who have to self-isolate due to coronavirus (COVID-19). You may be eligible if you are employed or self-employed, cannot work from home, and will lose income as a result. You can only apply if you've been told to self-isolate by NHS Test and Trace, notified to self-isolate by the NHS COVID-19 app, or you're the parent or guardian of a child who has been told to self-isolate.

If you've been told to self-isolate by NHS Test and Trace, you're legally required to do so. If you've been notified by the NHS COVID-19 app to self-isolate and you apply for the Test and Trace Support Payment, you will be legally required to self-isolate.

### **Who can apply**

You might be able to get a payment of £500 to support you during self-isolation if you live in England and meet all the following criteria:

- you've been told to stay at home and self-isolate by NHS Test and Trace or the NHS COVID-19 app, either because you've tested positive for COVID-19 or have recently been in close contact with someone who has tested positive
  - you've responded to messages from NHS Test and Trace and have provided any legally required information, such as details of your close recent contacts
  - you're employed or self-employed
  - you're unable to work from home and will lose income as a result of self-isolating
  - you're currently receiving or are the partner of someone in the same household who is receiving, at least one of the following benefits:
    - Universal Credit
    - Working Tax Credit
    - income-based Employment and Support Allowance
    - income-based Jobseeker's Allowance
    - Income Support
    - Housing Benefit
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- Pension Credit

If you're not on one of these benefits, you might still be able to apply for a £500 discretionary payment if all the following apply:

- you meet all the other criteria listed above
- you're on a low income
- you will face financial hardship as a result of self-isolating

See: [Claiming financial support under the Test and Trace Support Payment scheme - GOV.UK \(www.gov.uk\)](#)

### **Traffic light system: safe return to international travel**

From 17 May, the 'Stay in the UK' regulation will cease, and international travel will be allowed to restart, governed by a new traffic light system.

#### The traffic light system

As the virus is still spreading in many parts of the world, the government advises people should not be travelling to amber or red countries.

The [green list](#) comprises of the following 12 countries and territories when international travel resumes on 17 May:

- Portugal (including the Azores and Madeira)
- Israel and Jerusalem
- Gibraltar
- Iceland
- Singapore
- Australia
- Brunei Darussalam
- Falkland Islands
- Faroe Islands
- New Zealand
- Saint Helena, Ascension and Tristan da Cunha
- South Georgia and the South Sandwich Islands

Countries on the green list pose the lowest risk, therefore passengers who have only visited or transited through a green list country will not be required to quarantine on arrival in England. They will be required to fill in the [passenger locator form](#), provide a [valid](#)

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[notification of a negative test result prior to travel](#) and take a [sequencing test on day 2 after arrival](#).

See: [Traffic light system: safe return to international travel - GOV.UK \(www.gov.uk\)](#)

### **Demonstrating COVID-19 vaccination status**

From 17 May, people in England who have had the vaccine will be able to [demonstrate their COVID-19 vaccination status](#) for outbound travel using the [NHS app](#) or letter. In due course, the app will allow people to show evidence of negative tests as they travel out of the country.

See: [Traffic light system: safe return to international travel - GOV.UK \(www.gov.uk\)](#)

### **Landlord right to rent checks**

This update replaces previous guidance issued on 20 April 2021.

The temporary COVID-19 adjusted right to rent checks will now end on 20 June 2021, and from 21 June 2021 landlords will revert to face to face and physical document checks as set out in legislation and guidance. This is aligned with the easing of lockdown restrictions and social distancing measures, as set out in the government's roadmap for England.

The following temporary changes were made on 30 March 2020 and remain in place until 20 June 2021 (inclusive):

- checks can currently be carried out over video calls
- tenants can send scanned documents or a photo of documents for checks using email or a mobile app, rather than sending originals
- landlords should use the [Landlord Checking Service](#) if a prospective or existing tenant cannot provide any of the accepted documents

Checks continue to be necessary and you must continue to check the prescribed documents set out in [Landlords Guide to Right to Rent](#) or use the [online right to rent checking service](#). It remains an offence to knowingly rent to a person who does not have the right to rent in the UK.

#### End of temporary adjustments

The temporary adjustments to Right to Rent checks due to COVID-19 are ending. From 21 June 2021 you must either:

- [check the applicant's original documents](#), or
- [check the applicant's right to rent online](#), if they've given you their share code

See: [Coronavirus \(COVID-19\): landlord right to rent checks - GOV.UK \(www.gov.uk\)](#)

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