

Covid-19: November briefing

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It is important to recognise that everything around Covid-19 is moving incredibly quickly – on a day-by-day basis. This briefing outlines and explains some of the emerging support and advice from government.

November lockdown: what do we know about the businesses and services that must close

New national restrictions came into force on the 5th November. The new measures currently apply across England only, up until the 2nd December. The new rules take the place of the regional/tiered system that had been in place.

The [government guidance](#) outlines the businesses and premises that will need to close during this period. This includes:

- Community centres and halls must close except for exempt activities (see below)
- Libraries – except for provision of IT and digital services and click and collect
- All non-essential retail (clothing, homeware, market stalls selling non essentials);
- Hospitality venues such as cafes, restaurants, pubs, bars and social clubs; with the exception of providing food and drink for takeaway;
- Accommodation – including hotels, hostels, guest houses and campsites (with exemptions for people who are homeless)
- Leisure and sports facilities such as leisure centres and gyms, swimming pools, tennis and basketball courts, golf courses, fitness and dance studios, climbing walls, archery
- Entertainment venues including (museums, theatres, soft play centres, indoor heritage homes and landmarks)



- Personal care facilities and services (hair and beauty)
- Places of worship, apart from for the purposes of independent prayer, and service broadcasting and funerals

What services and activities can continue?

There are a number of exemptions that will apply to certain activities and services delivered by community organisations and in community settings. These include:

- education and training
- childcare purposes and supervised activities for children
- blood donation and food banks
- to provide medical treatment
- Support groups
- Some youth services (121 and support groups) but most will close

Definitions around support groups:

People are still able to meet for support groups which are formally organised to provide mutual aid, therapy or any other form of support. This includes but is not limited to, support to victims of crime, people in drug and alcohol recovery, new parents and guardians, people with long-term illnesses, people facing issues relating to their sexuality or gender, and those who have suffered bereavement, and vulnerable young people, including for them to meet young workers.

Parent and child groups can continue where they provide support to parent and/or child, and children (under 5 will not be counted within the 15 person limit - meaning parents and carers can attend such groups in larger numbers).

Some youth services are able to continue, such as 1-1 youth work and support groups, but most youth clubs and groups will need to cease for this period.

There is a degree of interpretation around these rules and what constitutes a support group. If you are responsible for the building where these activities take place, and they are delivered by an external group or hirer, then it will be important to ensure that all parties are agreed around whether these activities continue or not

Government support: furloughing scheme – extended until March 2021

All the information in this section is taken from these two sources:

- The [government announcement](#) on 5th November
- The [detailed factsheet](#) on economic support – also published on 5th November
- The detailed operational guidance on the CJRS will be published on 9th November

The Coronavirus Job Retention Scheme (CJRS or Furlough scheme), which was due to cease on the 31st of October 2020, has now been extended to March 2021. The Job Support Scheme which was due to replace it has now been suspended.

The five-month extension to the CJRS was announced by the Chancellor on the 5th November – previous announcements only extended the scheme up to 2nd December.

The scheme will work in a similar way to the original CJRS scheme:

- Employees will receive 80% of salary for hours not worked (up to a maximum of £2500)
- Government pays grant to businesses for this cost.
- Employers do not need to contribute to this 80%, but can voluntarily ‘top-up’
- Employers must pay Employers NI and statutory pension costs for hours not worked.

A review will occur in January which may include changes to the scheme (such as to employer contributions)

Employee eligibility:

- Neither the employer nor the employee needs to have previously claimed or have been claimed for under CJRS to make a claim under the extended CJRS
- An employer can claim for employees who were employed and on their PAYE payroll on 30 October 2020. The employer must have made a PAYE Real Time Information (RTI) submission to HMRC between 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.

Reemployment:



- Employees that were employed and on the payroll on 23 September 2020 (the day before the Job Support Scheme announcement) who were made redundant or stopped working afterwards can be re-employed and claimed for

Further guidance and details from HMRC are to be published next week.

Locality have also produced a detailed slide pack on the furlough scheme which can be found on the guidance and resources page on our COVID-19 support hub.

Job Retention Bonus

This is what the government have said about the Job Retention Bonus:

“The Jobs Retention Bonus (JRB) will not be paid in February and the government will redeploy a retention incentive at the appropriate time. The purpose of the JRB was to encourage employers to keep people in work until the end of January. However, as the CJRS is being extended to the end of March 2021, the policy intent of the JRB falls away.”

Government support: business support and other government funding

Business grants:

Businesses that are forced to close are eligible for business grants of up to £3000 per month:

- For properties with a rateable value of £15k or under, grants to be £1,334 per month, or £667 per two weeks;
- For properties with a rateable value of between £15k-£51k grants to be £2,000 per month, or £1,000 per two weeks;
- For properties with a rateable value of £51k or over grants to be £3,000 per month, or £1,500 per two weeks.

These grants will be available through local authorities. The funding will be allocated to local authorities this week, and funding will be made available from November 10th.

Eligibility is tied to the business rates system. However, as with previous schemes there will be flexibility and discretion at a local level – so we recommend you get in touch with your local authority about whether you are eligible. Schemes are likely to be made available locally from next week.



For businesses that have not legally been forced to close but have had their operations and footfall severely impact (or have partially closed) may also be able to secure funding via new discretionary funds for local authorities. Local authorities have been provided with an additional one off funding of £1.1 billion to support businesses, allocated on the basis of £20 per head to support local businesses who are affected by the lockdown by not legally forced to close. This is discretionary funding, and therefore it will be important to contact your local authority about access to these funding pots.

There will also be backdated grants for businesses (such as hospitality, leisure and accommodation) experiencing reduced demand when Tier 2/3 restrictions were in place (between 1 August and 5 November). They will receive backdated grants at 70% of the value of closed grants up to a maximum of £2,100 per month for this period.

Other loan schemes - extended

The deadlines for the Bounce Back Loan Scheme and Coronavirus Business Interruption Loan Schemes have been extended until the end of January 2021.

The Bounce Back Loan Scheme will also be available for those businesses who have borrowed less than their maximum (i.e. the lower of £50,000 or less than 25% of their turnover) to top-up their existing loan.

The Bounce Back scheme are micro loans available to any businesses (including charities) that have been impacted by the pandemic and can prove that they were not in financial difficulty prior to December 2019. For more information about the Bounce Back Loan scheme see here:

<https://www.gov.uk/government/news/new-bounce-back-loans-to-launch-today>

The Coronavirus Business Interruption Loan Scheme supports loans of up to £5million in value. Businesses are eligible if they generate more than 50% of their income from trading – but charities are exempt from that requirement. More information can be found here:

<https://www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme>

Volunteering

We are still awaiting detailed guidance on volunteering during this period. Our current understanding is that volunteering should take place at home wherever possible and following social distancing guidelines where not. Volunteering is exempt within the new restrictions meaning they can meet in larger groups, should this be necessary for the purpose of volunteering.



What we're asking of government

We are continuing to lobby government in partnership with other sector bodies, to provide the support needed to communities and local organisations during the pandemic. In particular, we need to ensure the Furlough Scheme is fit for purpose.

As we enter this further lockdown charities and social enterprises have already depleted their reserves, started to reduce their workforces and many are facing a critical dilemma; ensure the sustainability of their organisations through making use of the furlough scheme that helps to conserve funds spent on salaries but which incentivizes the cessation of activity when it is never more needed, or risk financial collapse in the near future so that beneficiaries are supported over the second lockdown.

We are calling on government to provide an exemption for charities and social enterprises in the Coronavirus Job Retention Scheme, to be enable them to furlough staff but retain those staff as volunteers to continue delivering their vital services.

Read the letter to the Chancellor here:

https://www.cfg.org.uk/charity_sector_urges_chancellor_to_make_job_scheme_fit_for_purpose

Further support and resources

You can get in touch with Locality if you need support – please contact members@locality.org.uk

You can also connect with other Locality members and share questions via our Members Facebook page

Our COVID-19 webpages will be kept updated with all the latest guidance, funding and support, including further updated versions of this briefing.