

Information correct as of the afternoon of 26/03/20.

Summary of Government, Regulator, Trade Body and Trade Union Covid-19 Policies

An overview of the work being undertaken by government departments to cope with the economic impact of the Covid-19 outbreak, new economic and business advice committees recently set up by the government, and of the policies advocated by trade unions and trade bodies.

Guidance for the self-employed

The Government has announced a self-employed income support scheme. Through this scheme the Government will pay those that are self employed a taxable grant worth 80% of an individual's average monthly profits. This will be based on the average monthly profits taken over the last two years up to £2,500 a month. This scheme will be available for three months but could be extended if needed.

This is open to those with trading profits of up to £50,000 a year. Claimants must make the majority of their earnings from self-employment, must already be registered as self-employed and have submitted a self-assessment tax return for 2019. For those who have yet to file their tax returns, they have four weeks from today (23rd April) to file their tax returns and become eligible for the scheme. For those who have only just begun working as self-employed, the Government will look at whatever accounts they have to work out their entitlement.

This scheme will benefit 95% of those that are self-employed and is expected to be running from the beginning of June. Claimants that are approved will receive three months' worth of payments in June. Further information available here.

Government and Regulators

Department for Business, Energy and Industrial Strategy

On 19 March the Department announced that it had agreed new <u>emergency measures</u> with the energy industry to protect energy supply to the most vulnerable. From 19 March onwards, energy customers with pre-payment meters (often used by those on low-incomes) who may not be able to add credit to the meters, will be able to liaise with suppliers about continuing their usage. This may include nominating a third party for top ups, having a discretionary amount added to their credit, or being sent a pre-loaded top-up card. The Department has also <u>agreed with suppliers</u> that they will support customers going through financial difficulties.

The government has included energy sector workers in the <u>list of key workers</u>, whose children are permitted to continue to attend school.

Earlier this week, one newspaper <u>reported</u> that energy suppliers have agreed to halt all nonessential maintenance of energy infrastructure, due to concerns about possible staff shortages during the pandemic. The measure that has been met with concern from trade unions. The government has yet to confirm that an agreement has been reached.



HM Treasury & Dept. for Business, Energy & Industrial Strategy

On Monday 23 March the government <u>launched the details</u> of its business support package, including a loan scheme for small and medium-sized businesses. Small companies have been reporting that lenders are unaware of the scheme and unwilling to provide loans to help them survive the crisis. Banks are allegedly continuing to use pre-crisis criteria for lending. The Federation of Small Businesses told the Financial Times that this is being widely reported by members.

The new business support package includes a Coronavirus Business Interruption Loan Scheme, open for applications from 23 March. The Loan Scheme will give businesses with a turnover of up to £45 million the opportunity to get loans of up to £5 million to help them survive the crisis. The government will cover interest payments and any lender-levied fees for an initial period of 12 months, and is providing lenders with an 80% guarantee on each facility. The scheme is currently available through around 40 accredited lenders, however this number is expected to rise.

Banks have been criticised for demanding <u>personal guarantees</u> from businesses, even though the loans are government-backed. This means that if the firm goes bust and the owner cannot afford to pay off the debt, their personal assets (apart from their main home) are liable to be seized. There is some disagreement between different industry bodies over whether what security banks are allowed to require.

The Bank of England also has a new lending facility for larger businesses, the Covid Corporate Financing Facility. This, too, is open for applications from 23 March. The scheme will enable larger business to purchase commercial paper, also known as short-term corporate debt. The hope is that this will help companies that are 'fundamentally strong' but experiencing short-term cash flow problems. Firms need to be able to demonstrate that they were in good financial health prior to the crisis.

Alongside the two loan schemes, the government is also launching an information campaign to try to ensure that businesses are aware of the help available and how to access it. The campaign will use social media, radio, television and a new central website, soon to be launched. The measures sit alongside the Job Retention Scheme launched on 20 March.

Cabinet Office

On 23 March the Cabinet Office issued <u>guidance</u> to clarify which businesses and workers are effected by the 'stay home' order given on the evening of 23 March.

Energy, waste and recycling, and utility companies are not included in the <u>list of businesses ordered to close</u>. Workers can travel where they 'absolutely cannot work from home', which indicates that work such as boiler maintenance, biomass fuel deliveries and AD operators can continue to go to work, as are construction workers. The public is strongly encouraged work from home unless their jobs are important for the functioning of the country's health, social and transport systems or utility and food supply.

Robert Jenrick, the Housing Secretary, clarified on the evening of 23 March that construction workers are <u>exempt</u> from the order to stay at home, so long as they practice a social distancing policy.

Competition and Markets Authority



The competition watchdog has decided to <u>streamline</u> its operations and focus on the most urgent issues only. While relaxing competition rules for supermarkets, it is also launching a <u>taskforce</u> to crack down on profiteering due to the Covid-19 outbreak. At the moment, the taskforce will focus on incidents in which prices have been increased due to demand far outstripping supply, and on misleading claims about the benefits of products.

Department for Transport

The Department is focussing on working with the Treasury to announce a series of measures to save Britain's airline industry, with announcements expected imminently in the coming days.

The Department for Transport is also heavily <u>involved</u> in government efforts to repatriate hundreds of thousands of Britons left stranded abroad by border closures and flight cancellations.

Rail franchises have been <u>temporarily suspended</u> to avoid train operators collapsing, after a 70 per cent fall in the number of passengers. Instead, the government is paying a small fee to operators to keep a limited service running. As of Monday 23 March, operators are running a significantly reduced service. The Transport Secretary Grant Shapps announced that those with advance tickets will be entitled to full refunds, while season ticket holders will be able to get a refund calculated using the amount of time that the ticket will go unused.

Hygiene <u>quidance</u> for transport sector workers has also been issued.

Driver and Vehicle Standards Agency

Vehicle approval tests (required for imported, privately built or radically altered vehicles) have been <u>suspended</u> by the government for at least three months, although companies and individuals working in 'critical' sectors will still be able to get an emergency test if necessary. Vehicles eligible for an emergency test include light goods vehicles, heavy goods vehicles, and trailers.

This is in addition to the <u>6-month MOT exemption</u>, extending MOT expiry dates by 6-months if they are due to happen during the course of the outbreak.

Ministry of Housing, Local Government and Communities

The government has announced that commercial tenants will be <u>protected from eviction</u>, if they cannot pay their rent because of the outbreak. The measures are included in the emergency Coronavirus Bill.

The government has announced the creation of a <u>taskforce</u> comprised of experts from local government, the military, police, health sector, adult social care, and resilience professionals. This will assess the plans of the Local Resilience Forums to and provide advice to the Forums.

There are 38 LRFs across England. They provide opportunities for dialogue and cross-coordination between the emergency services, government agencies, health bodies and local authorities.

The taskforce will work with the LRF's to commission a tabletop exercise for each area, discuss support for vulnerable people and the maintenance of key services, analyse the relationships between LRFs and Local Health Partnerships, and analyse the LRF's preparedness for a flu pandemic.



In addition, the government has announced the suspension of Ofsted and Routine Care Quality Commission inspections. The deadline for local government financial audits has been extended to September. The government is also considering removing the legal requirement for annual Council meetings to take place in person, and introducing legislation to permit Council meetings to be held virtually, on a temporary basis.

Up to 70 MOD planners and Liaison Officers have also been brought on to the response by government to liaise with and advise local authorities and public services. Local authorities are also required to identify social care volunteer opportunities.

New Committees

The government has created four new implementation committees, focussing on health, public sector preparedness, economy and the international response. The Chairs of the committees will each attend the daily Covid-19 meetings of key ministers and senior officials.

The committees:

- Healthcare chaired by the Health Secretary to focus on the preparedness of the NHS, in particular the critical care system, and the medical and social care packages for those who will be subject to the new 'shielding' measures.
- General Public Sector chaired by the Chancellor of the Duchy of Lancaster. The committee will focus on preparing the rest of the public sector and critical infrastructure.
- Economic and Business chaired by the Chancellor, with the Business Secretary as the Deputy Chair. This considers the impact on businesses and the economy, including the effect on supply chains. It will also coordinate roundtables with key sectors to be chaired by the relevant Secretaries of State.
- International chaired by the Foreign Secretary. This committee has been set up to coordinate our international response through the G7, G20 and other routes.

Ofgem

Ofgem has split its <u>advice page</u> into two sections – one for consumers and one for licensees and industry.

A <u>statement</u> released on 19 March by CEO Jonathan Brearley stated that Ofgem is working closely with the government to protect the security of the UK's energy supply. Ofgem stresses that its priority is to safeguard jobs in the industry and protect customers. Brearley's statement said that Ofgem is exploring ways to ensure that a reliable service continues, especially for vulnerable users. He acknowledged that there were queries around how self-isolating customers could get essential repairs to meters, and that some may struggle to pay their bills, however he asked that companies put plans in place for how self-isolating customers could be serviced.

Brearley said that Ofgem will be 'pragmatic' with its approach to compliance during the pandemic. Ofgem has also taken the decision to postpone RIIO-2 hearings, and is exploring how to consider the impact of Covid-19 on its consultations throughout the year.

Parliamentary Activity



Bills

<u>The Coronavirus Bill</u> has officially passed with no amendments receiving Royal Assent on the 25th March. The Bill is 329 pages long and covers matters relating to:

- The postponement of elections, referendums, recall petitions and canvass
- Increasing the health and social care workforce
- Ease the burden on frontline staff
- Slowing the spread of the virus
- Management of the deceased
- The suspension of port operations
- Giving Police the powers to enforce self-isolation for those showing symptoms
- Statutory sick pay and pensions

COP 26

At this moment in time it is unknown whether the Pre-COP26 events due to be held in Milan in September or the COP26 Summit due to be held in Glasgow in November will take place. The decision to cancel the Conference can only be officially made by the United Nations. If the United Nations decides to go ahead with the Conference and the host countries do not want to host, it is assumed that another country will host (as was the case this year moving from Chile to Madrid).

There are a lot of discussions and rumours in the media regarding the cancellation of the event and whether it could be moved to be a digital conference. As of the 24th March 2020, neither the UK Government, the Italian Government or the United Nations have made any official statements about the plans for COP26.

Parliamentary Estate

Parliament closed on the evening of the 25th March with the view of being reopened on the 21st April. The reopening of Parliament will be in order to pass the Budget legislation which was announced on the 11th March. It is assumed, yet not officially confirmed, that following the passage of the Budget, the House of Commons will be asked to vote to suspend Parliament. If this vote takes place it is unknown how long the suspension will last.

During the suspension the Cabinet will continue to meet via video conference. When Parliament reopens on the 21st April, all non-essential events and meetings will be cancelled with non-pass holders unable to enter the Parliamentary estate.

Select Committees

Parliament was suspended on the 25th March to the 21st April in which it will vote to pass the Budget legislation. After the legislation is passed it is assumed that the House of Commons will be asked again to vote to suspend Parliament for an unknown amount of time. Due to this all parliamentary business including physical Select Committee meetings will be cancelled although it is yet to be confirmed whether these meetings will continue digitally.



Trade Unions and Trade Bodies

REA: what we are doing for you as your trade association

Here at the REA, we have launched an <u>advice page</u> on which members can find links to access information and support. The page also details how we are consulting members about the best way we can represent the industry's interest to government in the difficult months ahead. We are also compiling a list of concerns and requests from businesses and are in discussions with government departments about how these can be mitigated.

Confederation of British Industry

The CBI has created a <u>'Coronavirus Hub'</u> on its website, with dedicated sections to provide economic insight and analysis, support for business, on how the CBI is responding, and on how British businesses can help the national effort during the outbreak. The Hub includes a call for British manufacturers that may be able to make ventilators, and a consultation form on how the virus is affecting members' businesses.

The Hub's page on how the CBI is responding details its priorities, including: protecting employment and the health of employees, securing supply chains, and how the CBI wants the government to enable better cash flow for businesses. The CBI is asking the government to suspend National Insurance payments for the first quarter of this year and to suspend business rates payments for all businesses, for at least three months.

Federation of Small Businesses

The Federation of Small Businesses has set up a dedicated <u>page</u> to the impact of Covid-19 on small businesses. This has detailed information about what kind of financial assistance businesses can access, in all the regions of the UK, from business rates relief, to tax, loans and staffing. On 20 March the FSB held an advice <u>webinar</u>, which has now been uploaded to watch on its website. The FSB has urged the government to provide additional support for the self-employed.

GMB

The GMB has an advice <u>page</u> on how workers can protect their health, and details about their rights to be paid when self-isolating.

Unite

Unite claims to be the 'foremost' union for energy sector workers in the UK, and to represent tens of thousands in the industry. On Thursday 19 March, it released a statement addressed to Alok Sharma, BEIS Secretary, demanding that energy sector workers be classified as key workers. *The government has since clarified in its list of critical workers that <u>power sector workers are 'key workers'</u>.*

Unite has launched a dedicated Legal Advice helpline for members whose employment and financial circumstances are affected by the Covid-19 outbreak. It has also provided a detailed advice page explaining entitlement to statutory sick pay, employment rights in the context of school closures, and other information.

UNISON



UNISON, the public services union, represents thousands of workers in the energy sector, although it has not released any statement or policy about the Covid-19 outbreak that is specific to energy sector workers. UNISON has welcomed the key worker provisions from the government. UNISON pressed the government (on 20 March) to provide a more coordinated response to widespread panic buying, which is leaving some key workers unable to access food.

UNISON is continuing to offer <u>financial assistance</u> to members through its subsidiary charity, There for You. It has requested that all branches make a donation to the charity.