



Finance Guide for the Craft Sector during Covid-19

Business and self-employed support from the National Government and the Scottish Government

Support has been issued from both Governments with some crossover and some support that is specific to Scotland

The UK Government support can be found [here](#).

[<https://www.gov.uk/coronavirus/business-support>]

The Scottish Government support can be found [here](#).

[<https://findbusinesssupport.gov.scot>]

Document Contents

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1. Paying your employees

Claim for 80% of your employee's wages up to a maximum of £2,500 a month plus any employer National Insurance and pension contributions, if you have put them on furlough (not working) because of coronavirus via the Coronavirus Job Retention Scheme [<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>]. Employees must have been on PAYE / payroll on or before 19 March 2020. Furloughed staff cannot work for or on behalf of the organisation or any associated organisation.

The Scheme is in place for four months from 1 March 2020.

2. Paying sick pay

The Coronavirus Statutory Sick Pay Rebate Scheme

[<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-employees-due-to-coronavirus-covid-19>]

will repay employers the current rate of Statutory Sick Pay (SSP) that they pay to current or former employees for periods of coronavirus-related sickness starting on or after 13 March 2020.

The online service you'll use to reclaim SSP is not available yet. HMRC will announce when the service is available.

3. Paying tax

VAT

If you're a UK VAT registered business and have a VAT payment due between 20 March 2020 and 30 June 2020, you have the option to:

- defer the payment until a later date, you do not need to tell HMRC you are deferring your VAT payment
- pay the VAT due as normal

It does not cover payments for VAT MOSS or import VAT. HMRC will not charge interest or penalties on any amount deferred as a result of the Chancellor's announcement. You must continue to submit future VAT returns to HMRC by the deadlines. Further information is available [here](#)

[<https://www.gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19>]

Self-Assessment tax

The deadlines for paying your tax bill are usually:

- 31 January for any tax you owe for the previous tax year (known as a balancing payment) and your first payment on account
- 31 July for your second payment on account

Because of coronavirus you can delay making the second payment on account. If you choose to delay, you'll have until 31 January 2021 to pay it.

Further information is available [here](https://www.gov.uk/pay-self-assessment-tax-bill) [https://www.gov.uk/pay-self-assessment-tax-bill]

4. Business Rates relief

If you think you may be eligible for any non-domestic rates relief, such as the Small Business Bonus Support Grant, contact your local council for further information including eligibility.

Non-domestic rates relief

If you pay business rates or non-domestic rates your property may be eligible for [non-domestic rates relief](https://www.mygov.scot/non-domestic-rates-coronavirus/) to help you deal with the impact of coronavirus [https://www.mygov.scot/non-domestic-rates-coronavirus/].

These discounts only apply to your non-domestic rates bill and won't directly reduce your rent, water charges or other bills.

Retail, hospitality and leisure businesses that were occupied and had to close temporarily due to the Government's advice on coronavirus will receive 100% non-domestic rates relief.

Rates relief is available on non-domestic properties from 1 April 2020- 31 March 2021 and will be automatically applied to the bill you receive from your local council.

One-off grants

The Scottish Government has introduced the [Business Support Fund](https://www.mygov.scot/non-domestic-rates-coronavirus/grants-to-help-businesses-during-coronavirus/) [https://www.mygov.scot/non-domestic-rates-coronavirus/grants-to-help-businesses-during-coronavirus/], which offers some businesses one-off grants.

Small businesses can apply for a one-off Small Business Support Grant of £10,000 if they get rates relief through the Small Business Bonus Scheme relief [<https://www.mygov.scot/non-domestic-rates-relief/small-business-bonus-scheme/>]. You can get non-domestic rates relief through the Small Business Bonus Scheme if:

- the combined rateable value of all your business premises is £35,000 or less
- and, the rateable value of individual premises is £18,000 or less

Retail, hospitality and leisure businesses in premises with a rateable value of £18,001 - £51,000 can apply for a one-off grant of £25,000.

The above applies to one property. From 5 May 2020, if you've more than one property you may be able to apply for a grant for each eligible additional property equal to:

- Retail, hospitality, leisure businesses, one-off grant of £18,500
- Small Business Support Grant of £7,500

5. Support for the self-employed

Self-Employed

The Self-Employed Income Support Scheme [<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>] will allow you to claim a taxable grant worth 80% of your trading profits up to a maximum of £2,500 a month. It will be available for three months, but may be extended.

The grant is subject to Income Tax and National Insurance contributions, but does not need to be repaid. If you receive the grant you can continue to work self-employed, or take on other employment including voluntary work.

You can make a claim for Universal Credit [<https://www.gov.uk/universal-credit>] (see below), a monthly payment to help you with your living costs if you're on a low income or out of work, while you wait for the grant. You should record the grant as part of your self-employment income, and it may affect the amount of future Universal Credit payments. This will not affect Universal Credit claims for earlier periods. Further information about Self-employment and Universal Credit can be found here [<https://www.gov.uk/self-employment-and-universal-credit>]

Explore FAQs about the Scheme [here](https://www.businesssupport.gov.uk/self-employment-income-support-scheme-faqs/) and find out how HMRC works out your total income and trading profits [here](https://www.gov.uk/guidance/how-hmrc-works-out-total-income-and-trading-profits-for-the-self-employment-income-support-scheme)

The online service you'll use to claim is not available yet. HMRC will aim to contact eligible individuals by mid-May 2020 inviting you to claim online, and will make payments by early June 2020.

Newly self employed

In Scotland, Cabinet Secretary for Economy, Fair Work and Culture Fiona Hyslop MSP has confirmed that grant funding for the newly self-employed suffering hardship and SMEs in distress will be available in the coming days.

The £100 million fund to support the self-employed and SMEs will be broken into three separate funds as follows:

- £34 million Newly Self-Employed Hardship Fund, managed by local authorities, will be allocated to the newly self-employed facing hardship through £2,000 grants
- £20 million Creative, Tourism & Hospitality Enterprises Hardship Fund, managed by the Enterprise Agencies in partnership with Creative Scotland and VisitScotland for creative, tourism and hospitality companies of up to 50 employees not in receipt of business rates relief in the form of rapid access £3,000 grants or up to £25,000 where it can be demonstrated support is needed.
- £45 million Pivotal Enterprise Resilience Fund, managed by the Enterprise Agencies for vulnerable SME firms who are vital to the local or national economic foundations of Scotland

6. Navigating Current Support

Excellent resources to assist you navigating the current Government support are:

UK Government [Find Coronavirus Financial Support for Your Business](https://www.gov.uk/business-coronavirus-support-finder) [https://www.gov.uk/business-coronavirus-support-finder]

An online questionnaire asking questions about you and your business and then summarising what is available to you.

Scottish Government [Coronavirus Advice for Businesses in Scotland](https://findbusinesssupport.gov.scot/coronavirus-advice)

[https://findbusinesssupport.gov.scot/coronavirus-advice]

Business Gateway

Business Gateway is a local level Government support network. Through Business Gateway you may be able to get time with an advisor to discuss particular issues or be able to access webinars to help your business

[https://www.bgateway.com/coronavirus-business-support-across-scotland]

Business Gateway have also listed [possible areas of additional support](https://www.bgateway.com/your-sector/creative-industries/additional-support) across the creative sector.

[https://www.bgateway.com/your-sector/creative-industries/additional-support]

Support for the Creative Industries and Arts

Creative Scotland

Creative Scotland opened three Covid-19 Impact Funds, with one being specifically for the screen sector. Outlined here are the two relevant to the craft makers.

[The Bridging Bursary \(Arts & Creative\) Fund](https://www.creativescotland.com/funding/funding-programmes/bridging-bursary) [https://www.creativescotland.com/funding/funding-programmes/bridging-bursary] provides individual artists and

freelance creative practitioners working in the not-for-profit sector who have lost income from their creative work / practice due to coronavirus with grants of £500 - £2,500. Due to overwhelming demand, the second round of the fund closed on 24 April 2020.

Creative Scotland will let the sector know as soon as possible if they are able to run a third round of the fund.

Open Fund: Sustaining Creative Development [<https://www.creativescotland.com/funding/funding-programmes/open-fund-sustaining-creative-development>] is a fund to enable individuals and organisations to sustain themselves in the midst of the coronavirus pandemic. Applications for between £1,000 - £50,000 are accepted, with applicants seeking grants over £15,000 required to answer additional questions and complete a separate form assessing risk. There is no deadline for the fund, you can apply at any time during the year.

Funding for Individuals

Freelance and self-employed artists and creative practitioners in Scotland with a UK bank account can apply for projects supporting the development of their practice. If your practice is collaborative, you may apply for funding to work with others.

Creative Scotland are aiming to support as many individuals as possible and expect applications to be up to £15,000.

Funding for Organisations

Organisations and groups based in Scotland, UK bank account, whose work or project involves the arts, screen and creative industries.

Applications are accepted for grants from £1,000 - £15,000 or £15,000 - £50,000.

You are advised to regularly check Creative Scotland's website for any updates on their Covid-19 Impact Funds. The application process to the Open Fund will be reviewed in June 2020 and any updated guidance issued if changes are made.

A-Z Funding and Resources for the Creative Community

Creative Scotland have also pulled together an [A-Z](#) of funding and resources available to those in the creative community, who have been affected by Coronavirus (Covid-19) [<https://www.creativescotland.com/resources/professional-resources/covid-19-directory>].

MAKE

MAKE has also brought together further financial support specific to craft making, practitioners and individual disciplines within the sector

VAS

Visual Arts Scotland's Emergency Arts Workers Support Fund is a temporary relief fund of fixed micro-grants of £250 to support individual creative practitioners who are facing immediate financial hardship due to reduced or no income from lost, cancelled or postponed work. [A second round](https://www.visualartsscotland.org/blog-article/emergency-art-workers-support-fund---round-two) [https://www.visualartsscotland.org/blog-article/emergency-art-workers-support-fund---round-two] of the fund is due to open in early-May.

A-N

[a-n Bursaries: Time Space Money](https://www.a-n.co.uk/news/a-n-bursaries-time-space-money-open-for-applications/) [https://www.a-n.co.uk/news/a-n-bursaries-time-space-money-open-for-applications/] is an emergency response fund for individuals whose livelihoods have been impacted by Covid-19 to support their continued professional practice at this critical time. A-n Members based in Scotland are eligible to apply for grants of £500-£1,500. Deadline 7 May 2020.

Axisweb

[Axisweb Members Hardship Fund](https://www.axisweb.org/support/hardship-fund/) [https://www.axisweb.org/support/hardship-fund/] will help members facing significant financial hardship and unable to work or on a low income who have been affected by the impact of coronavirus. Opening in rounds.

Eaton Fund

Open all year round, the [Eaton Fund](http://www.eaton-fund.co.uk/help-artists.asp) [http://www.eaton-fund.co.uk/help-artists.asp] provides grants to artists and art students based in the UK working in the visual arts, including sculpture and ceramics.

Goldsmith

The [Goldsmiths Covid-19 Fund](https://www.thegoldsmiths.co.uk/charity/goldsmiths-covid-19-fund/goldsmiths-covid-19-fund/) [https://www.thegoldsmiths.co.uk/charity/goldsmiths-covid-19-fund/goldsmiths-covid-19-fund/] supports jewellers, silversmiths and those working in the allied industries primarily with precious metals in the UK facing financial difficulty during the Covid-19 crisis with grants of £1,500. Open to UK based self-employed, sole traders & micro businesses employing four people or fewer with a turnover of less than £200,000. A second round opens 10:00, Tuesday 28 April 2020. A third round is planned to open the week beginning 4 May 2020.

The Goldsmiths Company seek the sectors response a [survey](https://www.surveymonkey.co.uk/r/The_Goldsmiths_COVID-19_Industry_Impact_Survey) [https://www.surveymonkey.co.uk/r/The_Goldsmiths_COVID-19_Industry_Impact_Survey] of how the Covid-19 crisis is impacting businesses and employees in the

jewellery, silversmithing and allied trades to inform the shape of a to be announced interest free loan scheme.

Fashion & Textile Children's Trust

The Fashion & Textile Children's Trust offers grants [<https://www.ftct.org.uk/support-for-families-affected-by-coronavirus>] to families who have worked in the UK fashion or textile industry in the last nine years whose household income has been affected by coronavirus.

The Furniture Maker's Company

The Furniture Maker's Company Emergency Financial Support responding to the covid-19 pandemic [<https://indd.adobe.com/view/2ff8e7f1-1d1c-4f4d-a9ed-8ee98a080acd>] is for workers in the furnishing industry who can demonstrate a minimum of two years employment service or self-employment.

Prince's Trust & Natwest Enterprise Relief

The Prince's Trust & Natwest Enterprise Relief Fund provides grants to 18-30 year olds in the UK who are self-employed and / or running their own business and have done so in the last four years. Grants can be used to maintain core business operations during the crisis, meet existing financial commitments and support business diversification in response to crisis. Register interest for the grants [<https://www.princes-trust.org.uk/about-the-trust/coronavirus-response/enterprise-relief-fund>].

Smallwood Trust

The Smallwood Trust Women's Resilience Fund [www.smallwoodtrust.org.uk/flexible-response-fund] offers grants for women on low income who have specific needs and are struggling to make ends meet or overcome financial problems.

7. Frequently Asked Questions

1. I run my own company, am I self-employed?

No, you are not self-employed.

2. I run my own company and pay myself a wage through a payroll scheme. Can I apply for 80% wage support under the Coronavirus Job Retention Scheme?

Yes, as long as you made a real time submission for the February 20 payroll by 19 March 2020 to HMRC.

3. I am self-employed how do I access the Self-employed Income Support Scheme?

The online service you'll use to claim is not available yet. If you are eligible for support from the scheme, HMRC will aim to contact you by mid-May 2020, inviting you to make an online claim and will make payments by early June 2020.

4. I am self-employed can I continue working and access the Self-employed Income Support Scheme?

If you receive a grant from HMRC you can continue to undertake self-employed work, or take on other employment including voluntary work.

5. I am furloughing myself in my own company can I continue to work?

Only to fulfil the company's statutory obligations, but not to do any work to generate revenue or provide services for or on behalf of the company.

6. I set up as self-employed in the past 12 months can I access the Self-employed Income Support Scheme?

Possibly. The initial Government announcement suggested that the newly self employed would miss out, however The Scottish Government have announced that grant funding will be open by the end of April.

7. I am self-employed and submitted my 2018/2019 tax return late. Will I be able to access the Self-employment Income Support Scheme?

Yes, as long as you submitted your tax return by 23 April 2020