

Financial Support Measures for Self-Employed Barristers and Chambers

The following is a list of the measures announced so far that could be of benefit to self-employed barristers and chambers (*that is, either chambers operating as unincorporated Trade Protection Associations (TPA) or through incorporated limited companies*); it will be updated as the situation develops.

Please see the Government guidance on [Support for Business](#) and the links therein for further details.

Measure	Further Information
Income tax payments for the self-employed are deferred	Self-assessment payments due on 31 Jul 2020 will be deferred until 31 Jan 2021. This is automatic and you do not need to apply, however the deferment is optional, should you wish to make the payment on time. No penalties or interest for late payment will be charged in the deferral period. For further information, see here.
VAT payments for businesses are deferred for three months	VAT-registered sole traders and chambers will not need to make a VAT payment between 20 Mar and 30 Jun 2020. (You can, of course, continue to pay as usual, should you wish to.) Taxpayers will be given until the end of the 2020/21 tax year to pay any liabilities that have accumulated during the deferral period. VAT refunds and reclaims will be paid by the government as normal. This facility is automatic and you do not need to apply for it. However, you still need to submit your VAT return. If you normally pay VAT by direct debit, you should cancel this now, to avoid HMRC automatically taking the payment. Further details can be found here.
Claim under the Coronavirus Job Retention Scheme	<p>All UK employers with a PAYE scheme are eligible to access support to continue paying part of the salary of employees whom the employer furloughs. For the period 1 March to 31 July, HMRC will reimburse 80% of furloughed workers' wage costs, up to a cap of £2,500 per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. Employees are not permitted to work for the employer whilst on furlough. Further details and how to claim are described here.</p> <p>From 1 July, businesses will have the flexibility to bring furloughed employees back to work part time. A revised scheme will operate from 1 August to 31 October. Whilst the level of benefit to the employee will remain the same, the level of the government grant will be slowly tapered and the employer will have to make up the difference. The changes are described here.</p>
The Self-Employed Income Support Scheme (SEISS)	<p>The SEISS is intended to support self-employed individuals who have lost income due to COVID-19, by enabling those eligible to claim a taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for 3 months. There are significant restrictions, though, on eligibility which will affect many barristers. The Bar Council continues discussions with HMG to improve the position for the Bar. For details of the SEISS, see here. The scheme is now open for claims.</p> <p>This scheme is being extended to provide a second grant. This will be the final grant under the scheme. If you are eligible for the first grant, you must make your claim by 13 July. The eligibility criteria for the second grant will be the same as for the first grant.</p> <p>If you are eligible, the second grant will be a taxable grant worth 70% of your average monthly trading profits, paid out in a single instalment covering a further 3 months' worth of profits, and capped at £6,570 in total.</p> <p>You will be able to make a claim for a second in August 2020 and details of the online service will be published in due course.</p>

Borrow through the Coronavirus Business Interruption Loan Scheme (CBILS)	CBILS is available to small and medium-sized businesses, including self-employed sole traders with a business bank account and chambers who operate either through an unincorporated Trade Protection Association or an incorporated limited company. Loans of up to £5M will be available, with the first 12 months of the loan being interest-free. Personal guarantees will not be required for loans of less than £250K. For further information, see the British Business Bank website here .
Borrow through the Bounce Back Loan Scheme (BBLs)	BBLs is available to provide financial support to small and medium-sized businesses, including self-employed sole traders and chambers, with loans of up to £50,000. For further information, see the Bar Council BBLs guidance .
Seek financial assistance from the Barristers' Benevolent Association	The BBA exists to provide emergency financial assistance to members of the Bar, and is running a special COVID-19 appeal with the Inns of Court to raise additional funds. If you are in financial difficulty, please see the Chair of the Bar's letter to members and the BBA's webpage for an application form.
Reclaim the costs of Statutory Sick Pay (SSP) paid to employees	Employers can reclaim the costs of SSP paid for sickness absence, covering up to two weeks' SSP per employee who has been off work due to COVID-19. Further details can be seen here .
Further tax-liability support for businesses and the self-employed through the HMRC Time to Pay scheme	Further to the measures above, all businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support, agreed on a case-by-case basis and tailored to individual circumstances and liabilities. Further details can be seen here or phone the HMRC's dedicated COVID-19 Time to Pay Helpline on 0800 024 1222
Take a "mortgage holiday" of up to three months, with the possibility of a further three-month extension	<p>In March, it was announced that mortgage holders with financial difficulties caused by the COVID-19 pandemic could apply for a three-month mortgage-payment holiday. Contact your mortgage provider to arrange this.</p> <p>Towards the end of any deferral period, your mortgage provider will contact you regarding your needs and circumstances. If you are able to resume payments at the end of the deferral period, you should do so, but, if you are not able to resume payments, you may request a further full or partial payment deferral for a further three months. The FCA and mortgage providers are currently finalising guidance on the extension of the deferral.</p> <p>Mortgage lenders have further been instructed that no repossession proceedings should be commenced or continued before 31 Oct 2020.</p>
Discuss chambers' property-rent liabilities with your landlord	<p>Discuss with chambers' landlord the possibility of postponing all or part of your property-rent payments. The Bar Council has contacted the Inns to encourage their consideration of such requests. The Inns will each inform their tenants of their intentions.</p> <p>Under the Coronavirus Act 2020, commercial tenants who cannot pay their rent because of COVID-19 are protected from eviction: no business will automatically forfeit their lease and be forced out of their premises if they miss a payment up until 30 June. There is the option for the government to extend this period if needed. This is not a rental holiday. All commercial tenants will still be liable for the rent.</p>

Delay or stage the payment of the Practising Certificate Fee (PCF)	The BSB announced that the application process for renew Authorisation to Practice process, and to pay the PCF, has been extended to 31 May 2020. Chambers which pay the PCF of their members through the block payment scheme have the opportunity to pay 50% of the fee by 31 May and the remainder by 31 Oct 2020.
Stage the payment of Bar Mutual Indemnity Fund (BMIF) premiums	For those members who are unable to pay their BMIF premiums, Bar Mutual announced that it would accept 50% of the payment by 31 Mar and the remainder by 30 Sep 2020.
Receive a grant of £10,000 if you are eligible for Small Business Rate Relief (SBRR)	If the rateable value of your one business property (ie its open market rental value on 1 Apr 2015, based on the estimate by the Valuation Office Agency) is £15,000 or less, you will already be eligible for SBRR. This is likely to apply only to a few sole-practitioners or very small chambers with one business property <i>and already in receipt of SBRR</i> . Your local authority will contact you to provide a one-off grant of £10,000; you do not need to apply.
Claim a discretionary grant from your Local Authority (LA)	The government has established a Local Authority Discretionary Grants Fund to support certain small and micro businesses which occupy property or part of a property with a rateable value, annual rent or annual mortgage payment below £51K. The government's guidance for businesses is here . Local Authorities (LAs) are now considering and some are starting to publish how they will distribute the grants according to their own criteria and priorities. Small sets of chambers and sole practitioners who occupy business premises may be eligible. It is unclear if LAs will consider self-employed barristers who are members of sets of chambers to be eligible; the C19WG is of the view that, even if eligible, the latter are most unlikely to be assessed as having sufficient priority amongst all eligible businesses to receive a grant, given the limited funds available to each LA. Nevertheless, having read the government guidance , you should look at your own LA's website for further information.
Spread your remaining Business Rates instalments	Contact your Local Authority to see if you can pay the balance of your annual Business Rates over the full twelve months of the tax year rather than the normal ten payments. (This minor cash-flow measure has been agreed by some LAs on application.)
Check if you can claim on your existing Business Interruption Insurance	Chambers should check their existing business insurance to see if it provides relevant cover, eg Business Interruption arising from pandemics, though please note that the Association of British Insurers has advised that this is <i>not</i> standard cover. Seek advice from your insurance broker as appropriate and pay attention to any time limits in the policy.