



UK Government Coronavirus update

All of the key coronavirus news and guidance in one weekly legal update

Issue 2, 6 April 2020

European Commission approves UK scheme to allow all public authorities to grant State aid awards of up to €800,000:

On Monday 6 April, the UK received approval for a £50 billion State aid scheme making use of the new options available under the COVID-19 Temporary Framework. The Temporary Framework has just been revised by the European Commission on Friday 3 April to include generous measures to fund COVID-19 related R&D, testing centres and factories to manufacture devices, equipment and treatments. The new UK scheme includes the ability for public bodies to fund such initiatives.

FAQs: the Small Business Grant Fund and the Retail, Hospitality and Leisure Grant Fund:

The Government has launched the Small Business Grant Fund ("SBGF") and the Retail, Hospitality and Leisure Grant Fund ("RHLGF") which shall make grant awards to eligible businesses affected by the COVID-19 pandemic. Our FAQs have been designed to assist Local Authorities administering the SBGF and RHLGF programmes as well as eligible businesses receiving such funds.

The chancellor announces further action to support firms: The Coronavirus Business Interruption Loan Scheme (CBILS) will be extended so that all viable small businesses affected by COVID-19, and not just those unable to secure regular commercial financing, will now be eligible should they need finance to keep operating during this difficult time. Also, following concerns earlier this week, lenders are now "banned" from requesting personal guarantees on loans under £250,000. In addition to the existing schemes aimed at large corporations (Covid Corporate Financing Facility) and small companies (CBILS), the Chancellor has announced a third scheme, called the Coronavirus Large Business Interruption Loan Scheme, which will allow companies ineligible for the two existing schemes to access state support — including, for example carmakers, leisure companies and airports. The new initiative, will allow companies with turnover of between £45m and £500m to borrow up to £25m, largely guaranteed by the state.

New guidance for Private Finance Initiative and PF2 projects: The Government released guidance on Thursday 2 April stating that Coronavirus is not to be regarded as an event of force majeure under PFI/PF2 contracts. PFI contractors should consider themselves to be part of the public sector and co-operate to ensure the continued delivery of public services. Contracting authorities should work closely with PFI contractors to use all available options to maintain public services during the emergency period.

PPN 02/20 FAQs: The Government released a set of frequently asked questions regarding the scope and application of PPN 02/20, which recommends that public bodies continue to make payments to "at risk" suppliers. For more information on PPN/02/20, please see our [press release](#) that we circulated last week. The Government has also released [guidance on Model Interim Payment Terms](#) that contracting authorities can use to amend payment terms to provide contractual relief to suppliers affected by COVID-19, further to the PPN 02/20.

Guidance notes on payments to suppliers for contingent workers: The purpose of this Government guidance is to provide measures that contracting authorities can use in relation to the payment of Contingent Workers if they are unable to work as a result of COVID-19.

Updated local authority guidance for administering expanded retail discount: Guidance updated to confirm the Government's assessment that the expanded retail discount is not a state aid, and that local authorities should therefore award relief to all eligible properties.

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Regulations set out new rules under the Coronavirus Act 2020: The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, a piece of secondary legislation, which will become effective as of 4 April 2020, makes provision further to the Coronavirus Act 2020 for the conduct of local authority meetings held before 7 May 2021. Meetings can now be accessed remotely by the press and public and attended remotely by members. Local authorities may also hold and alter the frequency and occurrence of meetings.

New social care regulations laid following the Coronavirus Act 2020: The Coronavirus Act 2020 (Commencement No. 2) Regulations 2020 and the Regulation and Inspection of Social Care (Wales) Act 2016 and Regulated Services (Miscellaneous Amendments) Regulations 2020 have temporarily eased certain requirements in relation to meeting needs and carrying out assessments under the existing social care legislation for local authorities in England and Wales. Please see our summary of the Coronavirus Act 2020 for a summary of the new powers given to lay regulations relating to social care.

COVID-19 notice for local authorities: All local authorities have been given legal notice to support the processing and sharing of information to help the COVID-19 response under Health Service Control of Patient Information Regulations 2002. This is to ensure that confidential patient information can be used and shared appropriately and lawfully for purposes related to the COVID-19 response.

Data protection insights March 2020 : We have compiled a round-up of the month's top data protection stories, together with practical advice on how to address the legal issues raised. The first section covers issues relating to the impact of COVID-19 on data protection, including guidance from the ICO and European Data Protection Board on homeworking, your employees' health data and sharing information.



Please contact us if you have any questions relating to the impact coronavirus may have on your organisation:



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