



We have put together the following guide for charities, which we will continue to update over the coming days and weeks.

OSCR

OSCR are working in conjunction with a number of parties including SCVO to provide additional support to charities at this time. They have released some general guidance that brings together information charities need to know and highlights other organisations which may be able to offer support.

The OSCR guidance can be found at <https://www.oscr.org.uk/guidance-and-forms/covid-19-guidance-for-charities/> and is split into separate sections dealing with the following area:

- 1) Contacting OSCR
- 2) Funding and finance – including some of the additional funding resources detailed below and statements from large existing funders who are trying to be as helpful and relaxed as possible.
- 3) Charity meetings and governance
- 4) Reporting to OSCR and making changes
- 5) Registering a charity
- 6) Information for cross-border charities
- 7) Fraud – be aware
- 8) Safer giving and fundraising
- 9) Volunteering
- 10) Sources of help and advice

At the current time we are all aware that funding and financial resources are critical. Support may be available to charities from the following sources:

- Third Sector Resilience Fund
- National Emergency Trust (NET) managed in Scotland by Foundation Scotland
- The Charities Aid Foundation (CAF) Emergency Fund for small charities

Third Sector Resilience Fund

SCVO have released the following guidance; (<https://scvo.org/support/coronavirus/funding/for-organisations/third-sector-resilience-fund>).

The Third Sector Resilience Fund (TSRF) is a £20m emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland. The fund will support organisations that already deliver services and products but find themselves in financial difficulties directly as a result of the coronavirus pandemic. The primary intention of the fund is to help third sector organisations to stabilise and manage cash flow over this difficult period.

The Fund will be delivered by **Firstport**, **Social Investment Scotland** and the **Corra Foundation** and will provide grants of between £5,000 and £100,000. In addition there will be up to a further £5m available in fully flexible, 0% interest loans starting at £50,000. The fund will be complemented by specialist business advice from Just Enterprise to help grant recipients maximise the impact of the financial support.

To be eligible, interested organisations must be:

- a charity, social enterprise or voluntary organisation based in Scotland and/or primarily delivering services/activities in Scottish communities;
- already delivering those products or services prior to March 2020;
- and needing funding to stabilise cash flow directly as a result of the impact of COVID-19, as opposed to pre-existing financial difficulties

Interested applicants are encouraged to read the fund's **guidance notes** and **FAQs** prior to starting an application.

In order to apply, organisations must complete a short **eligibility checker** to assess their suitability for the fund. Based on the answers provided, interested applicants will be directed to the correct application form depending on their needs or signposted to other sources of relevant funding/support.

National Emergency Trust Funding – Response Recovery Resilience (RRR)

Foundation Scotland are managing this funding in Scotland and details can be found on their website at <https://www.foundationscotland.org.uk/programmes/the-national-emergencies-trust-net/>

The **RRR Fund** will support local charities and grassroots organisations across Scotland to help them respond to the outbreak of the coronavirus pandemic and recover from its impact. In partnership with the National Emergencies Trust, Foundation Scotland is delivering the Community Response, Recovery and Resilience Fund. Launched by the Duke of Cambridge, the National Emergencies Trust is a fundraising appeal which will distribute money through several foundations which cover the UK. Foundation Scotland is the lead partner for NET in Scotland.

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Most immediately, Response is about providing emergency funding for local charities and grassroots organisations which are currently supporting some of Scotland's most affected and vulnerable people.

In the medium and longer term, Recovery and Resilience will be about funding a wider group of local charities and community organisations whose operations and finances have been affected so they can recover, re-establish or re-design their activities once the outbreak eases in response to community needs at that point.

Funding is currently available for between £1,000 and £5,000 – focused on immediate community needs. Foundation Scotland is aiming to keep the application process as straight forward as possible and have an online application form for immediate community support funding.

Only constituted groups, with a governing document, can apply. Interested applicants are encouraged to read the [fund's guidance notes](#) as this funding is not just open to charities

This is a rolling programme, there are no deadlines.

CAF Emergency Funding

The Charities Aid Foundation (CAF) Emergency Fund offers one-time grants of up to £10,000 to third sector organisations and social enterprises that are struggling to survive amid the ongoing crisis. Further details on this fund including the application form can be found on their website at <https://www.cafonline.org/charities/grantmaking/caf-coronavirus-emergency-fund>.

This fund is open to all charities and social enterprises, including Community Interest Companies (CIC) affected by the Coronavirus. The funding is available to cover any costs including core unrestricted costs although they ask that one application is made per organisation.

VAT Deferral Scheme

The VAT deferral Scheme will apply from 20 March 2020 until 30 June 2020. No applications are required, it will be granted automatically. You will not need to make a VAT payment during this period. It appears that this will be available to all VAT registered entities.

You will be given until 5 April 2021 to pay any liabilities that have accumulated during the deferral period.

It's likely you'll need to cancel any direct debit set up for VAT liability payments in advance of the date HMRC request payment.

VAT refunds and reclaims will be paid by the government as normal.

It is not clear as yet how the scheme will work under Making Tax Digital for VAT reporting. HMRC are urgently working through the details of this scheme.

Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme is a temporary scheme open to all UK employers for at least three months starting from 1 March 2020. We expect the scheme to be up and running by the end of April. It is designed to support employers whose operations have been severely affected by coronavirus (COVID-19).

Employers can use a portal to claim for 80% of furloughed employees' (employees on a leave of absence) usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. Employers can use this scheme anytime during this period.

The scheme is open to all UK employers that had created and started a PAYE payroll scheme on or before 28 February 2020.

Any UK organisation with employees can apply, including:

- businesses
- charities
- recruitment agencies (agency workers paid through PAYE)
- public authorities

Employees you can claim for

Furloughed employees must have been on your PAYE payroll on 28 February 2020, and can be on any type of contract, including:

- full-time employees
- part-time employees
- employees on agency contracts
- employees on flexible or zero-hour contracts

The scheme also covers employees who were made redundant since 28 February 2020, if they are rehired by their employer.

To be eligible for the subsidy, when on furlough, an employee can not undertake work for or on behalf of the organisation. This includes providing services or generating revenue. While on furlough, the employee's wage will be subject to usual income tax and other deductions.

This scheme is only for employees on agency contracts who are not working.

If an employee is working, but on reduced hours, or for reduced pay, they will not be eligible for this scheme and you will have to continue paying the employee through your payroll and pay their salary subject to the terms of the employment contract you agreed.

What can be claimed

Employers need to make a claim for wage costs through this scheme.

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You will receive a grant from HMRC to cover the lower of 80% of an employee's regular wage or £2,500 per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that subsidised wage. Fees, commission and bonuses should not be included.

At a minimum, employers must pay their employee the lower of 80% of their regular wage or £2,500 per month. An employer can also choose to top up an employee's salary beyond this but is not obliged to under this scheme.