



Financial Provisions and Currency Act 2011

COVID 19 SALARY SUPPORT SCHEME¹

Approved by Tynwald:

27 March 2020

Coming into Operation in accordance with paragraph 2

The Treasury makes the following Scheme under section 3 of the Financial Provisions and Currency Act 2011.

1 Title

This Scheme is the COVID 19 Salary Support Scheme.

2 Commencement

- (1) If approved by Tynwald this Scheme comes into operation on approval.
- (2) The Treasury may, by giving at least 7 days' notice, published on the Isle of Man Government website (www.gov.im) and in such other manner (if any) as it considers appropriate, terminate the operation of this Scheme.²

3 Interpretation

In this scheme, —

“**COVID-19**” means the disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);

“**the Department**” means the Department of Treasury;

“**excluded sectors**” [Revoked]³

“**excluded sector**” means any sector of business or area of the economy which is excluded from the scheme in the Island specified in a notice published by the Treasury, and laid before Tynwald.⁴

4 Purpose

The purpose of this Scheme is to provide salary support for businesses most adversely affected by COVID-19.

5 The Scheme

- (1) Expenditure under the scheme will be appropriated from the National Insurance Fund.
- (2) Qualifying businesses may apply for the grant from 2nd March 2020.⁵

6 Qualifying Business

- (1) In order to qualify for the grant, a business must—
 - (a) employ 1 or more employees;⁶
 - (b) not be in an excluded sector;
 - (c) have its place of business in the Isle of Man;
 - (d) [REVOKED]⁷
 - (e) have been consistently meeting in full its financial obligations to its employees up to 28 February 2020;
 - (f) commit, for the duration of the period for which it seeks the grant, —
 - (i) to not laying off any employee for the remuneration of whom the grant is sought; and⁸
 - (ii) to continuing to remunerate every such employee;⁹
 - (g) subject to any measures in force under the Emergency Powers Act 1936, have been in operation continuously since at least the 28 February 2020 and continue to meet contractual obligations to employees;¹⁰
 - (h) subject to any measures in force under the Emergency Powers Act 1936, intend to continue operating during the current state of emergency in effect due to the COVID-19 pandemic and for the foreseeable future, and continue to meet contractual obligations to employees; and¹¹
 - (i) be adversely affected through loss of business by the COVID 19 outbreak.¹²
- (2) In addition to meeting the requirements of subparagraph (1), a business must comply with paragraphs 9 and 10.
- (3) The business must also meet any other conditions as set by the Department in guidance.

7 Maximum amount of grant

- (1) The amount of the grant available will be as follows—
 - (a) a maximum of £280 per week per full time equivalent employee;
 - (b) for part time employees the maximum payment will be £280 pro rata, based on a 35 hour week; and

- (c) for an employee on a zero hours contract a maximum of £280 pro rata for hours worked based on a 35 hour week.^{13 14}
- (2) The maximum amount of £280 per week may be reduced in respect of certain qualifying businesses for specific claim periods, as may be specified in a notice published by the Treasury, and laid before Tynwald.¹⁵

8 The application process

- (1) An application for a grant under the Scheme must be—
 - (a) made in writing, monthly in arrears, in a form approved by the Department; and
 - (b) accompanied by such documentation as the Department require.¹⁶
- (2) Upon receipt of the application, the Department must—
 - (a) consider the application;
 - (b) decide whether a grant should be provided under the Scheme and, if so to what extent; and¹⁷
 - (c) notify the applicant in writing and make the payment.
- (3) An application must be made no later than 30 days after the end of the month in which the payment(s) of salary were made. A claim will be accepted for the first 4 week claim up until the 30th May 2020.¹⁸
- (4) The application will be subject to such prospective or retrospective checks as may be required by —
 - (a) the Department;
 - (b) the Assessor of Income Tax; or
 - (c) the Collector of Customs and Excise.
- (5) Without limiting paragraph (4), checks referred to in that paragraph may be —
 - (a) in respect of employees of an applicant for a grant;¹⁹
 - (b) with a view to confirming the eligibility of the applicant to receive a grant.²⁰
- (6) The Department may seek advice from a professional advisor to assist in the decision making process.
- (7) A professional advisor must not provide advice on any application where there may be an actual or reasonably perceived conflict of interest.

9 The probity requirements

- (1) The probity requirements are as follows —
 - (a) No person involved in controlling or managing the business should be disqualified from holding an appointment as a director or a

company secretary anywhere in the world at the time of application.

- (b) No person involved in controlling the business is the subject of outstanding executions anywhere in the world at the time of application.
- (c) No person involved in controlling the business is insolvent at the time of application.
- (d) The business is not insolvent at the time of application.

10 The disclosure requirements

- (1) The disclosure requirements are as follows —
 - (a) If the business is a company, the person involved in controlling that business must disclose the ultimate beneficial ownership of the business at the time of application.
 - (b) A person involved in controlling the business must declare any arrears of the business in relation to—
 - (i) income tax;
 - (ii) National Insurance contributions;
 - (iii) value added tax; or
 - (iv) any other taxes or duties payable.²¹

11 Miscellaneous

- (1) The Chief Financial Officer of the Treasury may —
 - (a) include any business as a qualifying business for the purposes of this Scheme;
 - (b) exclude any business which in his opinion should not obtain a grant under this Scheme;²²if he considers it is in the best interests of the Island's economy.
- (2) The Chief Financial Officer of the Treasury may also determine—
 - (a) whether any person in his or her opinion is or is not a business for the purposes of this Scheme;
 - (b) to whom the grant should be paid and in respect of whom; and
 - (c) the amount of grant to be paid.²³
- (3) The Treasury may publish a report to be laid before Tynwald detailing the names of each business and the amount of grant claimed.²⁴
- (4) The Treasury may by Order amend the conditions or application of this Scheme in any way at any time.

12 False etc. applications

- (1) Any person, including in the case of a company a director, who provides false, incomplete or misleading information in connection with an application under the Scheme commits an offence.
- (2) A person who commits an offence under subparagraph (1) is liable to summary conviction to custody not for more than 6 months, to a fine of £5,000, or both.

13 Recovery

- (1) If any person has provided a false, incomplete or misleading claim for a grant under this Scheme, subparagraph (2) applies.²⁵
- (2) Where this subparagraph applies, the Treasury may, whether or not it has carried out the confirmation checks, at any time recover either the full amount or any part of the grant provided.²⁶
- (3) Recovery may be made if —
 - (a) a person has made a misleading claim in order to receive pecuniary benefit; or
 - (b) has made a false declaration under the Scheme.
- (4) Recovery under subparagraph (3) may be made —
 - (a) from the business; or
 - (b) in the case of a company, from any or all directors of that business or as necessary the shareholders.
- (5) Any amount recovered will be returned to the National Insurance Fund.

14 Review of decision

- (1) An applicant for a grant may request the Department to review any decision.²⁷
- (2) The request for review must be made within one month of the decision.
- (3) The Department may appoint an officer of Treasury or another person to —
 - (a) review how the decision was reached; and
 - (b) provide a report to the Department on the matter.
- (4) If it is concluded that in reaching the decision, the Department —
 - (a) erred in law;
 - (b) based the decision on any incorrect material fact; or
 - (c) exercised a discretion in an unreasonable manner,the Department will reconsider the application for a grant taking into account the findings of the review.²⁸

- (5) Subparagraph (4) does not in itself affect the previous operation of the decision or anything duly done or suffered under it.

15 Guidance

- (1) The Department may publish guidance for applicants with respect to the manner in which powers are to be exercised under this Scheme which may amend the definition of excluded sector and amongst other things, detail—
- (a) the type of business eligible for a grant;²⁹
 - (b) terms and conditions of support; and
 - (c) the application process and the information that must be provided.

16 The appropriation of the fund

The sums required to be paid under the Scheme will be appropriated from the National Insurance Fund.

MADE 25 MARCH 2020

ENDNOTES

Table of Endnote References

¹ The format of this legislation has been changed as provided for under section 75 of, and paragraph 2 of Schedule 1 to, the Legislation Act 2015. The changes have been approved by the Attorney General after consultation with the Clerk of Tynwald as required by section 76 of the Legislation Act 2015.

² Subpara (2) substituted by SD2020/0358.

³ Definition of “excluded sectors” revoked by SD2020/0305.

⁴ Definition of “excluded sector” inserted by SD2020/0305.

⁵ Subpara (2) substituted by SD2020/0305.

⁶ Head (a) amended by SD2020/0268.

⁷ Head (d) revoked by SD2020/0237.

⁸ Item (i) amended by SD2020/0305.

⁹ Head (f) amended by SD2020/0305.

¹⁰ Head (g) substituted by Sd2020/0237.

¹¹ Head (h) substituted by SD2020/0237.

¹² Subpara (1) amended by SD2020/0305.

¹³ Head (c) amended by SD2020/0237.

¹⁴ Subpara (1) amended by SD2020/0305.

¹⁵ Original subpara (2) revoked by SD2020/0305. New Subpara (2) inserted by SD2020/0358.

¹⁶ Subpara (1) amended by SD2020/0305.

¹⁷ Head (b) amended by SD2020/0305.

¹⁸ Subpara (3) substituted by SD2020/0237 and amended by SD2020/0268.

¹⁹ Head (a) amended by SD2020/0305.

²⁰ Head (b) amended by SD2020/0305.

²¹ Head (b) amended by SD2020/0237.

²² Head (b) amended by SD2020/0305.

²³ Subpara (2) substituted by SD2020/0358.

²⁴ Subpara (3) amended by SD2020/0305.

²⁵ Subpara (1) amended by SD2020/0305.

²⁶ Subpara (2) amended by SD2020/0305.

²⁷ Subpara (1) amended by SD2020/0305.

²⁸ Subpara (4) amended by SD2020/0305.

²⁹ Head (a) amended by SD2020/0305.