



I trust everyone is well at and staying as positive as possible at the current time.

On Friday, the government issued a second wave of business support measures designed to help everyone continue operations. These can be summarised as follows:

1. **Job Retention Scheme**
2. **Deferred VAT payments**
3. **Self-Employed assistance**
4. **Additional measures**

1. JOB RETENTION SCHEME

For all employees who remain on the payroll with no work to do, the Government will pay 80% of their basic salary up to £2,500 per month. They will also give employers the ability to top-up the salary to 100%. All businesses are eligible for this scheme.

In order to access this scheme, businesses will need to:

- Designate affected employees as 'furloughed workers,' and notify your employees of this change. Changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation.
- Submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required).

The Government has pledged these measures will be in place for three-months and available by the end of April but will take effect from 1 March 2020. These arrangements will be reviewed every month so that if further extensions are required, this will be possible.

How to apply: HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers. A new live portal will be coming online shortly, so please keep checking HMRC online resources in this regard. We will circulate an e-mail when this portal goes live.

2. DEFERRED VAT PAYMENTS

Business VAT payments for the next quarter (payments due 7 April, May and June) will be deferred until the end of the tax year - 5 April 2021. **IMPORTANT:** Please bear in mind that this is a **deferral** to assist with cashflow, and will still require settling before April 2021, so this will need to be included in your cashflow budget for the year.

How to apply: This is automatic - a VAT return will still need to be prepared and submitted, but no payment will be required.

3. ASSISTANCE FOR THE SELF EMPLOYED

There are two major points to note here at present - due to public pressure, more assistance may follow, but for now:

(a) For Income Tax Self-Assessment, payments due on the 31 July 2020 will be deferred until the 31 January 2021. **IMPORTANT:** Please bear in mind that this is also **deferral** to assist with cashflow, and will still require settling before 31 January 2021, so this will need to also be included in your cashflow budget for the year.

(b) The government is recommending that all self-employed individuals apply for Universal Credit to access statutory sick pay (SSP) and Employment and Support Allowance (ESA) to cover loss of earnings. ESA application forms can be found here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/847655/nsesaf1-interactive.pdf

4. ADDITIONAL MEASURES

(a) The government has confirmed will pay the first 12 months of interest on the Coronavirus business interruption loan scheme, so these will be interest free to businesses until March 2021. The application process has been delayed due to the high volume of applications anticipated, but this should be live in the next few days.

(b) Companies House have announced a two-month automatic extension to filings due for June 2019 (Filing deadline 31 March 2020) onwards.

As and when further measures and updates are added, we will circulate these to you. If you require any assistance with any of the application processes, please do not hesitate to contact us at your next available opportunity.

Due to remote working currently in place, the best way at present is to contact us by e-mail, we can then follow-up with a telephone conversation as necessary.

Best regards