



From the team at Butler & Co, we hope that everyone is continuing to staying well.

COVID-19 BUSINESS SUPPORT: UPDATE – TUESDAY 14 APRIL 2020

There have been a number of updates to the announced business support that we would like to make you aware of:

1. **Job Retention Scheme - for furloughed Employees**

The HMRC online portal will be coming online at **9 am on Monday 20 April** for the first reclaim applications, per HMRC preliminary communications. First payments are due on **Thursday 30 April**. We anticipate traffic will be very high in the first few hours, so difficulties with initial submissions are expected – HMRC have specifically stated that claims can only be made online, there are no alternative submission options.

Businesses will need the following information to access the scheme:

- **PAYE Reference Number**
- **Accounts Office Reference Number**
- **Employees NI Number**
- **Salary, PAYE, NI and Pension deduction details**

Further information for Butler & Co Payroll clients is being prepared and we will be in contact directly with you in the next day or so.

Also, we are pleased to confirm Directors **can** be furloughed and their salaries – regardless of size – will be paid by the Job Retention Scheme up to 80% or £2,500, provided they were on the payroll as at 28 February 2020. There is no restriction on furloughing directors announced by the government, meaning that providing they abide by the same rules as furloughed employees, claims can be made. Directors can be furloughed and still carry out statutory duties, such as ensuring accounts are signed and filed. It is appreciated that directors of small companies will often pay themselves low salaries and receive the remainder of their remuneration by dividend. Only a directors PAYE salary is taken into consideration by the Job Retention Scheme and the government has no immediate plans to include dividends in the scheme.

2. **Small Business Grants – for those that pay business rates**

Local councils and authorities should by now have written to those who are eligible and the application forms sent in these communications should be completed and submitted as soon as is possible – if you feel your business qualifies for one of these grants and you have not been contacted yet, we suggest investigating with your local authority immediately.

3. **Universal Credit applications – for self-employed individuals**

Universal credit applications continue to be accepted – due to high level of calls and applications, these are taking time to process. We strongly suggest anyone thinking of making a claim contact the helpline on **0800 328 5644** as soon as possible to get a claim started, as it may take a number of weeks for funds to be released at this stage.

4. **Business Interruption Loans – for assistance with cashflow**

There has been some changes and clarifications regarding the application procedures for the Business Interruption Loans, following criticisms raised about the processes first put in place at the end of March. More loans are now being green-lit and the whole initiative has been streamlined to allow funds to be released faster, but there is still a backlog for the major high street banks to work through at the current time. If cashflow is forecast to become tight, we would suggest speaking to your banking provider now about potentially taking one of these loans, to avoid further issues later in the lockdown period.

We hope you find the above of use and if you do have any further questions, please do not hesitate to contact us at your next convenience.

With best regards and stay well.