



Dear all,

As ever, we hope that everyone remains safe and well as the lockdown enters week six.

COVID-19 BUSINESS SUPPORT: LATEST UPDATES

There are a number of updates to the business support schemes from HM Government we would like to draw your attention to. These are:

1. Job Retention Scheme – Update
2. Self-employed Income Support Scheme – Update
3. Bounce Back Loans – New Announcement

1. JOB RETENTION SCHEME AND FURLOUGHING STAFF

The HMRC online portal is now open, and the first payments were made to business bank accounts on Monday 27 April 2020. More than 500,000 claims have already been made nationwide, to the value of over £4.5 billion. If your PAYE scheme has not made a claim yet, we recommend you prioritise this now – any questions, from the calculation of furloughed wages or salaries to how to make the application should be addressed to either Russell Nash (russell@butler-co.co.uk) or Stacey Parkinson (Stacey@butler-co.co.uk).

2. SELF-EMPLOYMENT INCOME SUPPORT SCHEME (SEISS)

This scheme is set to open mid-to-late May, and whilst we have not yet been provided with a sample copy of the final form confirming specifically what is required to make a claim, we recommend you start to collate the information that will most likely be required so as they are readily available as soon as the scheme opens. These are:

- Your Unique Taxpayer Reference (UTR) number
- Your National Insurance number
- Your last 3 years' worth of accounting figures from your tax returns

3. BOUNCE BACK LOANS SCHEME (BBL)

With the Coronavirus Business Interruption Loans (CBILs) scheme having been put in place at the end of March, there have been some issues in businesses obtaining the loan where some enterprises are still waiting on confirmation that their application has even been processed.

In order to counter this, the government has announced new “Bounce Back” loans, to operate alongside the existing CBILs scheme. The idea is to create a new fast-track finance scheme providing loans with a 100% government-backed guarantee for lenders. The major points are as follows:

- Businesses will be able to borrow between £2,000 and £50,000 and access the cash within days
- Loans will be interest free for the first 12 months, as with CBILs, and businesses can **apply online** through a short and simple form
- The government will provide lenders with a 100% guarantee for the loan, so no business or personal guarantees will be required
- No repayments will be due during the first 12 months.
- The scheme will launch for applications on **Monday 4 May**.
- Firms will be able to access these loans through a network of accredited lenders – high street banks are likely to lead applications

The government has stated they will work with lenders to ensure loans delivered through this scheme are advanced as quickly as possible and agree a low standardised level of interest for the remaining period of the loan.

Who Should Apply: Those who are having issues with cashflow and working capital, but may have been frustrated by the inability to obtain a Coronavirus Business Interruption Loan thus far.

As soon as we have any further updates from HMRC and HM Government, we will once again be in touch. If there are any questions on any of the above, please do not hesitate to contact us at your next convenience.

Stay well.