

BUSINESS SUPPORT UPDATE FOR VRA

Johnny Timpson

Dept of BEIS Business Support Finder Tool
<https://www.gov.uk/business-coronavirus-support-finder>

Dept of BEIS help line
Telephone: [0800 024 1222](tel:08000241222)

Opening times:

Monday to Friday: 8am to 4pm



Bounce Back Loans

Bounce Back Loans

- Businesses can apply for the new loan scheme for up to a maximum of £50,000, or 25% of turnover, with the government paying the interest for the first 12 months.
- No forward-looking tests of business viability or complex eligibility criteria.
- Simple, quick, standard form for businesses.
- For most businesses, loans should arrive within 24 hours of approval.
- The government will support lending by guaranteeing 100% of the loan.
- Can be used to plug shortfall in Director, Partner, Sole-Trader income



Job Retention Scheme (Furlough)

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The government's unprecedented furlough scheme that is keeping millions of people in jobs will be extended for a further month, the Chancellor confirmed on the 17 April.

The scheme is available for at least three months from 1 March until 30 June 2020 and will be extended if necessary.

The scheme, which allows firms to furlough employees with the government paying cash grants of 80% of their wages up to a maximum of £2,500.

Employers will be able to apply for a grant to cover most of the wages of people who are not working but have been granted a leave of absence 'furloughed' and kept on payroll, rather than being laid off.

A background image showing a business meeting. Several people are gathered around a table, looking at architectural blueprints. One person is pointing at a specific area on the plans, while another is holding a pen, ready to write. The scene is brightly lit, suggesting a professional office environment.

Coronavirus Business Interruption Loan Scheme (CBILS)

The Coronavirus Business Interruption Loan Scheme (CBILS), delivered through 40+ British Business Bank accredited lenders and partners, is designed to support the continued provision of finance to UK small businesses (SMEs) during the Covid-19 outbreak. We are one of the accredited lenders covering the South East and East of England.

The CBILS is managed by the British Business Bank on behalf of, and with the financial backing of the Secretary for State for Business, Energy and Industrial Strategy (BEIS). Full details on CBILS eligibility criteria and the list of participating CBILS lenders can be found on the British Business Bank website at https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils-2/?gclid=Cj0KCQjw7qn1BRDqARIsAKMbHDafqbN9kpURKE6txXelC9ihkaI8KSf6-pkfhXYIIBRJPU7O9hBaYAAaAjgOEALw_wcB

Coronavirus Business Interruption Loan Scheme (CBILS)

Scheme Criteria

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Coronavirus Future Fund

Launches May 2020

Launching May 2020, this scheme will issue convertible loans to innovative companies which are facing financing difficulties due to the coronavirus outbreak.

The Future Fund will provide government loans to UK-based companies ranging from £125,000 to £5 million in partnership with the British Business Bank, subject to at least equal match funding from private investors.

These convertible loans may be a suitable option for businesses that rely on equity investment and are unable to access the Coronavirus Business Interruption Loan Scheme.

Coronavirus Future Fund

A background image showing a business meeting. Two people are looking at architectural blueprints on a table. One person is pointing at a specific area on the plans, while the other is holding a pen, ready to write. A laptop is open in the background, and the scene is lit with warm, natural light from a window.

Small Business Grant Funding

One-off grants of £10k available to eligible
businesses

Small Business Grant Funding

This will provide a one-off grant of £10,000 to businesses currently eligible for SBRR or rural rate relief, to help meet their ongoing business costs.

If your business is eligible for SBRR or rural rate relief, you will be contacted by your local authority – you do not need to apply.

Funding for the scheme will be provided to local authorities by the government in early April. Guidance for local authorities on the scheme will be provided shortly.

Scheme in Scotland launched May 1st.



Self Employed Grants Scheme

The scheme is for if you're self-employed or a member of a partnership and have lost income due to Coronavirus.

The government will be paying self-employed people a taxable grant based on their previous earnings over the last three years, up to 80% of their earnings and capped at £2,500 a month.

This scheme will be running for a minimum of three months, with average profits of £50,000 or less. It is only open to people who make the majority of their income from self-employment, and only open to people who are already self-employed.

Self Employed Grants Scheme

Self Employed Grants Scheme

This scheme is only eligible for self-employed businesses that:

- have submitted your Income Tax Self Assessment tax return for the tax year 2018-19

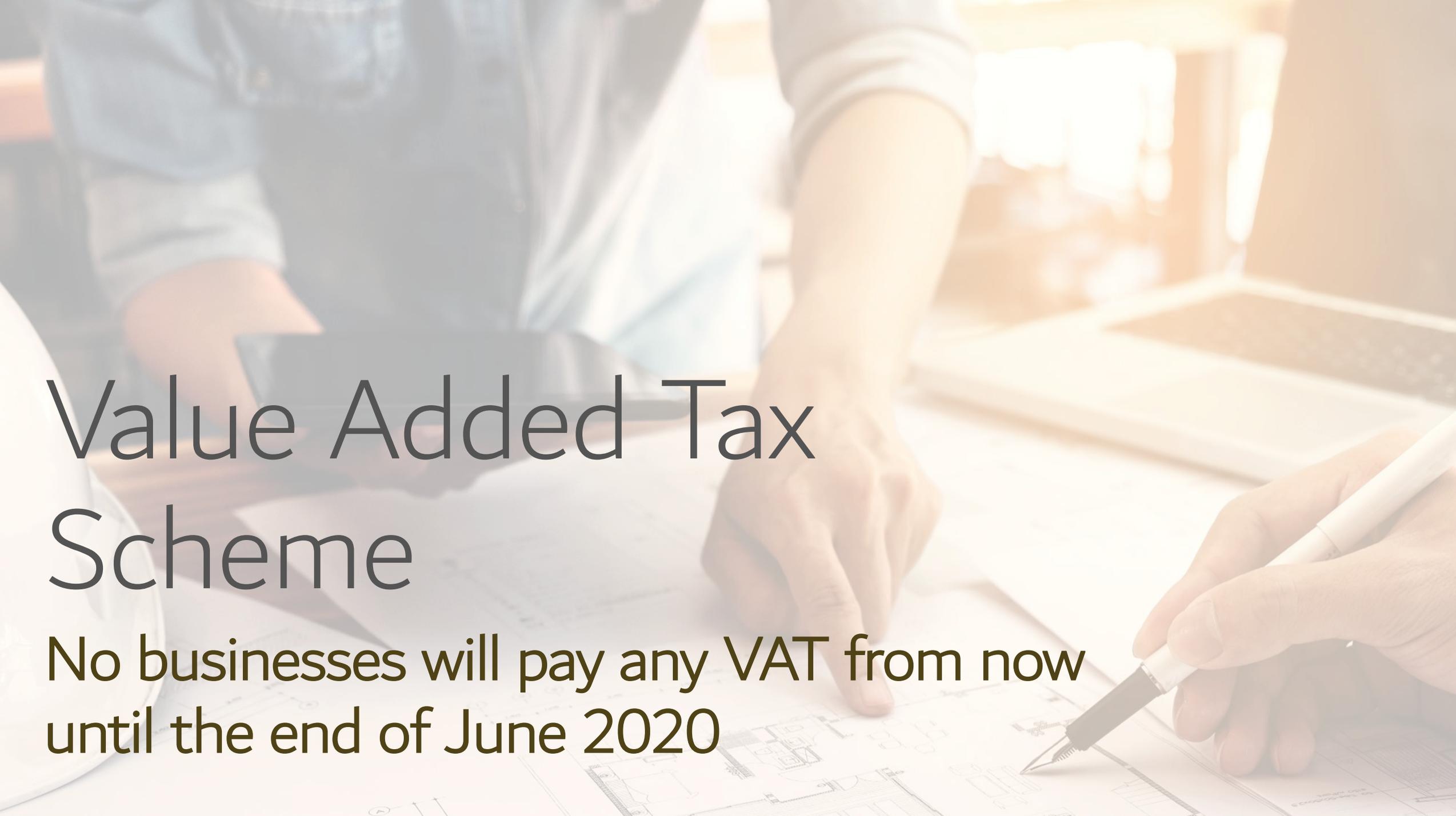
- traded in the tax year 2019-20

- are trading when you apply, or would be except for COVID-19

- intend to continue to trade in the tax year 2020-21

- have lost trading/partnership trading profits due to COVID-19

It will be available from June. HMRC will contact you if you are eligible for the scheme and invite you to apply online. Individuals do not need to contact HMRC now and doing so will only delay the urgent work being undertaken to introduce the scheme.

A background image showing a business meeting. Several people are gathered around a table, looking at architectural blueprints. One person is pointing at a specific area on the plans, while another is holding a pen, ready to write. A laptop is open on the table. The scene is brightly lit, suggesting a sunny day. The text is overlaid on this image.

Value Added Tax Scheme

No businesses will pay any VAT from now
until the end of June 2020

The government are supporting businesses by deferring Value Added Tax (VAT) payments for 3 months.

That means no business will pay any VAT from now until the end of June 2020; and you will have until the end of the financial year to repay those bills. This guidance has been updated:

Customers who normally pay by direct debit should cancel their direct debit with their bank in sufficient time so that HMRC do not attempt to automatically collect on receipt of your VAT return.

The deferral will apply to any VAT payment due between 20 March 2020 until 30 June 2020.

Eligibility - All UK businesses are eligible for this scheme.

How to access the scheme - this is an automatic offer with no applications required.

Businesses will not need to make a VAT payment during this period. Taxpayers will be given until the end of the 2020 to 2021 tax year to pay any liabilities that have accumulated during the deferral period. VAT refunds and reclaims will be paid by the government as normal.

If you're self-employed, Income Tax payments due in July 2020 under the Self-Assessment system may be deferred until January 2021.

Value Added Tax Scheme



Business Rates Relief

12-month business rates holiday

Business Rates Relief 12-month business rates holiday

12-month business rates holiday for all retail, hospitality and leisure businesses in England.

The government has also already announced the introduction of a £1,000 Business Rates discount for pubs with a rateable value below £100,000 in England for one year from 1 April 2020.

To support pubs in response to COVID-19 the discount will be increased to £5,000. Local authorities will be fully compensated for these Business Rates measures.



HMRC Time to Pay

For any business or self-employed with
outstanding tax liabilities

HMRC Time To Pay service has been put into place for any business or self-employed people (sole trader or freelancers) in financial distress and with outstanding tax liabilities.

Your business may be eligible to receive support on a case-by-case basis, tailored to your specific business and sector.

It is strongly recommended that you phone HMRC's Coronavirus-dedicated helpline on **0800 015 9559**.

Open: Monday to Friday, 8am to 8pm

Saturday, 8am to 4pm

HMRC Time to Pay



Top-up Local Business Grant Funds Scheme

Top-up local business grant funds scheme

The UK Government on May 2nd has set up an additional discretionary fund to accommodate certain small businesses previously outside the scope of the business grant funds scheme .

The fund is aimed at small businesses with ongoing fixed property-related costs. Government is asking local authorities to prioritise businesses in shared spaces, regular market traders, small charity properties that would meet the criteria for Small Business Rates Relief, and bed and breakfasts that pay council tax rather than business rates.



Statutory Sick Pay

For absence due to Covid-19

Statutory Sick Pay

Employers with fewer than 250 (as of 28 February 2020), will be eligible to reclaim Statutory Sick Pay (SSP) due to absence because of COVID-19.

The refund will cover up to two weeks SSP per eligible employee, and employers have to maintain records of staff absences and payments of SSP. There will not need to provide a GP fit note as evidence.

The period of eligibility will start when regulations on the extension of SSP come into force for those staying at home.

The government will in the next coming months set up a repayment mechanism with the support of employers as soon as possible.



IR35 Reforms

Postponed until April 6th, 2021

IR35 tax reforms, which would have led to self-employed individuals operating through a company paying more tax has been postponed to April 6th, 2021.

This is a deferral in response to the ongoing spread of Covid-19 to help businesses and individuals.

IR35 Reforms



Personal Support

Personal Support

Financial Conduct Authority has instructed lenders to offer payment holiday support and forbearance where people are having problems meeting mortgage, credit card, loan, hire-purchase and car finance commitments .

This support can be accessed by calling your service provider.

The Utilities Regulators are offering the same support and again, to access it contact your service provider.

To establish what your entitlement to welfare benefits is please see the information and benefits entitlement calculator available from the Turn2Us charity at www.turn2us.org.uk

Thank you

To keep up with developments; you are welcome to link up with me on LinkedIn.

<https://www.linkedin.com/in/johnny-timpson-598987/>