

UPDATE AS AT 29 APRIL 2020

Covid-19

Bounce Back Loan Scheme

Following the disappointing number of loans being made by banks under the Coronavirus Business Interruption Loans Scheme, the government have announced a new 'bounce-back' loan scheme for small and medium-sized businesses. The loan will be 100% guaranteed by the government.

Unlike the bank's approach under the old loan scheme, there will be no forward-looking viability tests or eligibility criteria. There will be a two-page standard form and according to the Chancellor, most loans will be paid within 24 hours of approval.

The loans will be between £2,000 and £50,000 and up to 25% of business turnover. There will not be any fees or interest for the first 12 months. The loan term can be up to six years with no repayments due in the first 12 months.

Eligibility

You must be based in the UK and have been negatively affected by coronavirus.

You cannot apply if you are already claiming under the existing Coronavirus Business Interruption Loan scheme. However, if you have received a loan of up to £50,000 under the old loan scheme you have the option to transfer it to the Bounce Back Loan Scheme.

How to Apply

The scheme will launch on the 4th May. The loans will be made through a network of accredited lenders. We will provide further information when it is released.

Job Retention Scheme

It has been a little over a week since the Job Retention Scheme portal opened. For those who have made claims, the payment should arrive imminently. If you need any further information or guidance on the scheme, please click on the following link, or contact us.

<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>

Economic Resilience Fund

This fund has been passed as the Welsh Government received over 9,000 requests for support. We are hopeful that the fund will re-open soon. It is grant monies that many businesses need rather than adding the burden of increased levels of debt.

Self Employed Support

There have been no recent updates on this scheme. HMRC are still aiming to contact those eligible for support by mid-May. HMRC's guidance can be found by following this link:

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

Financial Difficulties

Universal credit is available to help those who need help with living costs during this crisis. We are encouraging our self-employed clients who are unable to work to make a claim. There are many other business owners affected by coronavirus not able to access grants or job retention scheme monies who should consider applying.

H R Harris & Partners

We are continuing to help our clients through this crisis. If you need our help or want to discuss what support is available, please get in touch.

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