



RUTTER & ALLHUSEN

CHARTERED ACCOUNTANTS

GOVERNMENT ANNOUNCES “BOUNCE BACK” LOANS

Written 28 April 2020

The Government has announced a new 100% Government backed loan scheme for small businesses.

Small businesses will benefit from a new fast-track finance scheme providing loans with a 100% government-backed guarantee for lenders, the Chancellor announced yesterday.

Rishi Sunak said the new Bounce Back Loans scheme, which will provide loans of up to £50,000, would help bolster the existing package of support available to the smallest businesses affected by the coronavirus pandemic.

- 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, and businesses can apply online through a short and simple form.
- Loan terms will be up to 6 years.
- No repayments will be due during the first 12 months.

The scheme will launch for applications on Monday 4 May. Businesses will be able to access these loans through a network of accredited lenders.

The government 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:

ELIGIBILITY

You can apply for a loan if your business:

- is based in the UK
- has been negatively affected by coronavirus
- was not an ‘undertaking in difficulty’ on 31 December 2019.



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WHO CANNOT APPLY

The following businesses are not eligible to apply:

- banks, insurers and reinsurers (but not insurance brokers)
- public-sector bodies
- further-education establishments if they are grant-funded
- state-funded primary and secondary schools
- if you are already claiming under the Coronavirus Business Interruption Loan Scheme (CBILS).

More information about the scheme will be published shortly.

Further details see: <https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan>

NEW GUARANTEE ON DEATH IN SERVICE BENEFITS FOR FRONTLINE HEALTH AND CARE STAFF DURING PANDEMIC

New life assurance scheme launched for eligible frontline health and care workers during the coronavirus pandemic

The families of health and care workers on the frontline in England will benefit from a life assurance scheme during the coronavirus (COVID-19) pandemic.

- Families of eligible workers who die from coronavirus in the course of their frontline essential work will receive a £60,000 payment
- Scheme will cover frontline NHS staff and social care workers in England
- Funding will also be provided to devolved administrations to support similar schemes in Scotland, Wales and Northern Ireland

See: https://www.gov.uk/government/news/new-guarantee-on-death-in-service-benefits-for-frontline-health-and-care-staff-during-pandemic?utm_source=79e7d581-5fa0-4c0b-8073-27bc6b7deef4&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate



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FIND OUT IF YOUR BUSINESS IS ELIGIBLE TO RECEIVE GOVERNMENT SUPPORT

You may be eligible for loans, tax relief and cash grants. Use the business support finder to see what support is available for you and your business. Visit <https://www.gov.uk/business-coronavirus-support-finder>

FRAUD AND CYBER CRIME

<https://www.gov.uk/government/publications/coronavirus-covid-19-fraud-and-cyber-crime/coronavirus-covid-19-advice-on-how-to-protect-yourself-and-your-business-from-fraud-and-cyber-crime>

The Government has issued advice and guidance on how to protect yourself and your business from fraud and cybercrime.

The guidance suggests protecting yourself by:

Stop

Taking a moment to stop and think before parting with your money or information could keep you safe

Challenge

Consider if it could be fake - it is ok to reject, refuse or ignore any requests - only criminals will try to rush or panic you

The police, or your bank, will never ask you to withdraw money or transfer it to a different account - they will also never ask you to reveal your full banking password or PIN

Do not click on links or attachments in unexpected or suspicious texts or emails

Confirm requests are genuine by using a known number or email address to contact organisations directly.

Protect

Contact your bank immediately if you think you have fallen for a scam and report it to Action Fraud.



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To keep yourself secure online, ensure you are using the latest software, apps and operating systems on your phones, tablets and laptops - update these regularly or set your devices to automatically update so you do not have to worry.

Visit Take Five for more advice on how to protect yourself from fraud and Cyber Aware for advice on how to keep yourself secure online - <https://takefive-stopfraud.org.uk/>

How to protect your business

The guidance suggests:

Stop

If you receive a request to make an urgent payment, change supplier bank details, or provide financial information, take a moment to stop and think.

Challenge

It could be a fake - verify all payments and supplier details directly with the company on a known phone number or in person first.

Protect

Contact your business's bank immediately if you think you have been scammed and report it to Action Fraud.

National Cyber Security Centre

The National Cyber Security Centre also has advice on how to keep your business secure online: <https://www.ncsc.gov.uk/>

- Self-employed and sole traders: advice to protect your business and the technology you rely on
- Small and medium-sized organisations: advice for businesses, charities, clubs and schools with up to 250 employees - you are likely to fall into this category if you do not have a dedicated team internally to manage your cyber security
- Large organisations: security advice for businesses, charities and critical national infrastructure with more than 250 employees - you are likely to have a dedicated team managing your cyber security.



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ENGLAND - GRANT FUNDING LOCAL AUTHORITY PAYMENTS TO SMALL AND MEDIUM BUSINESSES

The Government has released a spreadsheet outlining the total amount of money that each local authority in England has received from central government and distributed to SMEs to date

This covers 2 coronavirus grant schemes:

- Small Business Grants Fund (SBGF) scheme
- Retail, Hospitality and Leisure Business Grants Fund (RHLGF)

See: https://www.gov.uk/government/publications/coronavirus-grant-funding-local-authority-payments-to-small-and-medium-businesses?utm_source=fc3c13f3-2f86-472d-a9a4-904f2c11276f&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

WALES - ONLINE SUPPORT AVAILABLE TO WELSH BUSINESSES

Business Wales has launched a new series of digital courses and webinars, aimed at Welsh SMEs affected by the COVID-19 outbreak. The 'Covid-19 and Your Business' series covers key topics including:

- alternative business models and diversification
- cashflow and finance
- HR policies and procedures
- managing teams and workload remotely
- encouraging productivity
- negotiating with suppliers and customers

The webinars take place daily and during the webinars, all participants will have the opportunity to take part in a live Q&A by sending their questions to the presenters.

See: <https://wales.business-events.org.uk/en/eventsearch/?location=&locationDistance=50&dateFrom=23/03/2020&dateTo=&dsSector=&dsTopic=&dsType=&dsBusinessStage=&priceMin=&priceMax=&organiserName=Business+Wales&text=covid-19&sort=dateStart.asc>.