

Update | Written 14 August 2020

**This newsletter details some of the measures announced by the Government to support businesses and individuals during the COVID-19 crisis.**

We can provide pro-active advice to help you come out stronger on the other side so please contact us if you wish to discuss any of these issues.

Best wishes

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It's easy for everyone to forget that there are other major changes happening across the world beyond those driven by COVID-19.



The changes to our relationship with Europe, the trade and political tensions between the USA and rest of the world will all influence our future and potentially our finances.

These important matters and the impact they may have on your business goals should be kept in mind when planning ahead.

## **Coronavirus And The Economic Impacts On The UK: 13 August 2020**

The Government has released new experimental data on the UK economy detailing the impact on businesses from the coronavirus (COVID-19). Data is from the Business Impact of Coronavirus Survey; a 2-weekly survey designed to estimate the impact over the previous 2 weeks and the expectations for the following 2 weeks.

The main points are:

- Of all responding businesses, most industries reported 90% or more of businesses as currently trading, and as having been, for more than the last two weeks.
- Of businesses that have temporarily paused or closed trading, 6% intended to close some sites in the next three months, compared with 3% of businesses currently trading.
- Across all businesses currently trading, 29% reported that operating costs were greater than, or equal to, turnover.
- The arts, entertainment and recreation sector reported the largest percentage of businesses indicating that operating costs had exceeded turnover at 42%.

## Update | Written 14 August 2020

- The arts, entertainment and recreation sector reported the highest proportion of the workforce returning from furlough leave in the last two weeks, at 25%, followed by the accommodation and food service activities sector and the construction sector, at 17% and 10% respectively.
- Of businesses that have not permanently stopped trading, 32% had postponed or cancelled bookings, services and events.

### Job Retention Scheme (CJRS)

From September 1, the government grant towards the employee wages will be reduced to 70%. From October 1, the government grant will be reduced again to 60%. During these months' employers will be asked to contribute towards the cost of their furloughed employees' wages to ensure they continue to receive at least 80% of their wages for the time they are on furlough.

You cannot claim for:

- additional National Insurance or pension contributions you make because you choose to top up your employee's wages
- your employees' wages for any time they spend working, or any National Insurance or pension contributions you make on these wages
- any pension contributions you make that are above the mandatory employer contribution

You can choose to top up your employees' wages above the minimum furlough pay amount, but you do not have to. Employees must not work or provide any services for the business during hours which they are recorded as being on furlough, even if they receive a top-up wage. Please talk to us if you need assistance in making these claims.



### If you've claimed too much or not enough from the Coronavirus Job Retention Scheme

The Government has updated its guidance if an employer has claimed too much or not enough from the CJRS.

#### If you have claimed too much

If you want to delete a claim in the online service, you must do this within 72 hours. If you have made an error in a claim that means you've received too much, you must pay this back to HMRC.

You can either:

- tell HMRC as part of your next online claim (your new claim will be reduced and you'll need to keep a record of the adjustment for 6 years)

## Update | Written 14 August 2020

- contact HMRC to pay the money back (you should only do this if you're not submitting another claim)

If you've overclaimed a grant and have not repaid it, you must notify HMRC by the latest of either:

- 90 days after the date you received the grant you were not entitled to
- 90 days after the date you received the grant that you were no longer entitled to keep because your circumstances changed
- 20 October 2020

If you do not do this, you may have to pay a penalty. If you do repay any overclaimed grant, this will prevent any potential tax liability in respect of the overpayment of Coronavirus Job Retention Scheme. HMRC have stated they will not be actively looking for innocent errors in their compliance approach.

### If you have not claimed enough

If you made an error in your claim that has resulted in receiving too little money, you will still need to make sure you pay your employees the correct amount. You should contact HMRC to amend your claim and as you are increasing the amount of your claim and they may need to conduct additional checks.

Before 31 July, you must:

- make sure to include all eligible employees on claims that you still need to make for periods up to 30 June

- make any updates you need to on claims you've already made

After 31 July, you will:

- no longer be able add an employee to any existing claims for periods up to 30 June, that should have been included on a claim submitted before that date
- still be able to make amendments for any other errors that resulted in you not claiming enough

Please contact us if you need any assistance with any aspect of these claims.

## **France, The Netherlands, Monaco, Malta, Turks And Caicos Islands And Aruba To Be Removed From Travel Corridors List**



People arriving in England from these destinations from 4am Saturday 15 August will need to self-isolate for 2 weeks. This list changes regularly and if you trade abroad it is worth reviewing.

Update | Written 14 August 2020

See [https://www.gov.uk/government/news/france-the-netherlands-monaco-malta-turks-and-caicos-islands-and-aruba-to-be-removed-from-travel-corridors-list?utm\\_source=9296bf0d-ceaa-40b5-b924-f91b1c355948&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/news/france-the-netherlands-monaco-malta-turks-and-caicos-islands-and-aruba-to-be-removed-from-travel-corridors-list?utm_source=9296bf0d-ceaa-40b5-b924-f91b1c355948&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

## Working Safely During Coronavirus (COVID-19)

This guidance changes regularly and in England there are 14 guides covering a range of different types of work. Many businesses operate more than one type of workplace, such as an office, factory and fleet of vehicles. You may need to use more than one of these guides as you think through what you need to do to keep people safe.

See [https://www.gov.uk/guidance/working-safely-during-coronavirus-covid-19?utm\\_source=05c2b6d7-bdd8-4307-a2d9-4a737c60e767&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/guidance/working-safely-during-coronavirus-covid-19?utm_source=05c2b6d7-bdd8-4307-a2d9-4a737c60e767&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

**Coronavirus (COVID-19)**  
guidance: Working safely,  
restarting work and being  
COVID-secure

STAY ALERT › CONTROL THE VIRUS › SAVE LIVES

Leading the way  helping you more