

Update | Written 4 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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## **The Latest Indicators For The UK Economy And Society**

The Office for National Statistics (ONS) produced an economic survey on Coronavirus on the 30 July.



The main points are:

- Of businesses still trading, the arts, entertainment and recreation industry had the highest proportion of the workforce remaining on furlough, at 47%, followed by accommodation and food services at 43%, according to the Business Impact of Coronavirus (COVID-19) Survey (BICS).

- The proportion of adults wearing a face covering when leaving the home increased to 84% from 71% in the previous week, according to the latest Opinions and Lifestyle Survey (OPN).
- Between 19 and 26 July 2020, footfall in high streets moderately increased to just under 60% of its level the same day a year ago, while retail parks and shopping centres held steady at just under 80% and 60% respectively.
- The volume of job adverts remained at 52% of its 2019 average between 17 and 24 July 2020.
- Prices decreased for a number of high demand products (HDPs) in the week beginning 20 July 2020, and the High Demand products index fell by 0.1%.
- In the week commencing 20 July 2020, Energy Performance Certificate (EPC) lodgements for existing dwellings returned to similar levels observed at the end of February across all regions, while EPC lodgements for new dwellings were around 20% lower across England and Wales; as such, they can be used as a timely indicator for the number of completed constructions and number of transactions.
- Average daily visits of all ships have remained stable for a fourth consecutive week, and passenger ship visits reached their highest level since the week commencing 30 March 2020.

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The ONS survey only reflects the characteristics of those who responded and can be considered experimental but what it does show is a moderate increase in footfall to shops and some signs of the economy opening up.

**If your business needs a plan for the “New Normal” please talk to us - taking some time now to think ahead may be invaluable in securing future success and profitability.**



### Job Retention Bonus

The government is introducing a new Job Retention Bonus to provide additional support to employers who keep on their furloughed employees in meaningful employment, after the government's Coronavirus Job Retention Scheme ends on 31 October 2020.

The Job Retention Bonus is a one-off payment to employers of £1,000 for every employee who they previously claimed for under the scheme, and who remains continuously employed through to 31 January 2021. Eligible employees must earn at least £520 a month on average between 1 November 2020 and 31 January 2021.

Employers will be able to claim the Job Retention Bonus after they have filed PAYE for January and payments will be made to employers from February 2021.

An employer will be able to claim the Job Retention Bonus for any employees that were eligible for the Coronavirus Job Retention Scheme and they have claimed a grant for. Where a claim for an employee was incorrectly made, a Job Retention Bonus will not be payable.

All employers are eligible for the scheme including recruitment agencies and umbrella companies.

Employers should ensure that they have:

- complied with their obligations to pay and file PAYE accurately and on time under the Real Time Information (RTI) reporting system for all employees
- maintained enrolment for PAYE online
- a UK bank account



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Employers must keep their payroll up to date and accurate and address all requests from HMRC to provide missing employee data in respect of historic Coronavirus Job Retention Scheme claims. Failure to maintain accurate records may jeopardise an employer's claim.

### **CJRS - Individuals You Can Claim For Who Are Not Employees**

You can claim a grant for individuals - as long as they're paid via PAYE. The groups you can claim for include:

- office holders (including company directors)
- salaried members of Limited Liability Partnerships (LLPs)
- agency workers (including those employed by umbrella companies)
- limb (b) workers
- Contingent workers in the public sector
- Contractors with public sector engagements in scope of IR35 off-payroll working rules (IR35)

Individuals who are paid through PAYE but not necessarily employees in employment law, can continue to be furloughed from 1 July as long as you have previously submitted a claim for them for a furlough period of at least 3 weeks between 1 March and 30 June and submitted a claim for this by 31 July.

### **Providing Apprenticeships During The Coronavirus Outbreak**

The Government has updated its guidance on apprenticeships.

This sets out guidance for apprentices, employers, training providers and assessment organisations in response to the impact of coronavirus (COVID-19).

It outlines the changes that the Education and Skills Funding Agency (ESFA) is making to the apprenticeship programme during the coronavirus (COVID-19) outbreak.



The information should be read alongside:

- guidance on financial support for businesses during coronavirus (COVID-19) - the salary support for furloughed employees, also applies to apprentices
- articles on the apprenticeship service for employers, training providers and end-point assessment organisations

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- articles on the apprenticeship service for apprentices
- guidance from the Institute for Apprenticeships and Technical Education (IFATE) on the delivery of assessment

### England - New Grants To Boost Recovery Of Small Businesses

Thousands of smaller businesses in England are set to benefit from £20 million of new government funding to help them recover from the effects of the coronavirus pandemic, the Minister for Regional Growth and Local Government has announced.

Small and medium sized businesses will have access to grants of between £1,000 - £5,000 to help them access new technology and other equipment as well as professional, legal, financial or other advice to help them get back on track.



The support will be fully funded by the Government with no obligation for businesses to contribute financially and the support will be fully funded by the government from the England European Regional Development Fund and distributed through local enterprise partnerships (LEP) Growth Hubs, embedded in local areas across England.



LEPs are voluntary partnerships between local authorities and businesses, set up in 2011 by the Department for Business, Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within the local area.

Activities supported through the £20 million can include:

- One-to-many events providing guidance to respond to coronavirus,
- Grants (£1,000 - £5,000) to help businesses access specialist professional advice such as HR, accountants, legal, financial, IT and digital, and to purchase minor equipment to adapt or adopt new technology in order to continue to deliver business activity or diversify.

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### Ask HMRC To Verify You Had A New Child Which Affected Your Eligibility For The Self-Employment Income Support Scheme

If you are self-employed or a member of a partnership, and having a new child affected the trading profits or total income you reported for the tax year 2018 to 2019, use the HMRC form to ask them to verify that you had a new child.

If you are already eligible for the grant based on your 2016 to 2017, 2017 to 2018 and 2018 to 2019 Self-Assessment tax returns, how HMRC will work out your grant amount will not be affected.

If you are not already eligible you can ask HMRC to check if you had a new child which either:

- affected your trading profits or total income you reported for the tax year 2018 to 2019
- meant you did not submit a Self-Assessment tax return for the tax year 2018 to 2019

For this scheme having a new child is any of the following:

- being pregnant
- giving birth (including a stillbirth after more than 24 weeks of pregnancy) and the 26 weeks after giving birth
- caring for a child within 12 months of birth if you have parental responsibility
- caring for a child within 12 months of adoption placement

You must have been self-employed in the tax year 2017 to 2018 and have submitted your Self-Assessment tax return on or before 23 April 2020.

You must also meet all other eligibility criteria.

