

Are You Worried About Your Finances?

FAQs

Job Retention Scheme

What is furlough?

The Coronavirus Job Retention Scheme - The government scheme to limit job losses by financing 80% of the employee salary, plus the employer's national insurance and pension costs where the employee is laid off due to coronavirus. Employers can top this up to 100% but Furlough is not mandatory for the employer. It is offered to provide financial support to the victims of the coronavirus economic upheaval and ensure that the economy can be restarted when this all ends.

How is it calculated?

Is based on:-

- 80% of the employee salary up to £2,500 a month.
- for those with irregular income - 80% of the higher of: -
 - (i) their average monthly income over the 2019/20 tax year or
 - (ii) the same month's income in the previous year.

Can I request it?

If you were employed on or prior to 19 March 2020 you can ask to be furloughed especially if you do not want redundancy.

What if I've been made redundant?

If you have already been made redundant after 19 March 2020 - you can ask to be re-hired and then furloughed (technically you will still have a job but you will be laid off).

What if I have children?

If you are unable to work and at risk of redundancy due to the impact of coronavirus including because of schools closing, your employer can furlough you.

What if I am sick or self-isolating?

If you are on sick leave or self-isolating you should get statutory sick pay, but you can be furloughed after this.

Employees who are 'locked in' in line with the public health guidance and cannot work from home can also be furloughed.

What if I'm Self-Employed?

If you are self-employed (therefore taxed through self-assessment and not PAYE), you won't be eligible to be furloughed, but you may be eligible to apply for the SEISS Self-Employment Income Support Scheme - a taxable grant to combat loss of income due to the coronavirus pandemic.

The grants are worth up to 80% of your profits, capped at £2,500 a month. It is a grant, which means you don't have to pay it back but it is taxable. Your average trading profit must be less than £50,000 a year. The grant is calculated based on your profits over the last three years and you must earn more than 50% of your total income from self-employment, which is based on:-(i) either your 2018/19 tax return or, (ii) if not, the average of your 2016/17, 2017/18 and 2018/19 tax returns.

This scheme is expected to start paying out in June and payments will likely be backdated to cover March, April and May (in the form of a lump sum). The scheme is set to last for at least three months, but this could be extended.

You can keep working while on this scheme (if you are able)

What if I'm a business?

You can apply for a business interruption loan under the Coronavirus Business Interruption Loan Scheme (CBILS) which supports small and medium-sized businesses, with an annual turnover of up to £45 million, and offers access to loans, overdrafts, invoice finance and asset finance of up to £5 million for up to six years. This temporary scheme is open to the self-employed. The Government could also give you a Business Interruption Payment to cover the first 12 months of interest and fees on the loan.

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils-2/for-businesses-and-advisors/>

I STILL CAN'T PAY MY BILLS

DO NOT BORROW MORE - AVOID LOAN SHARKS!

If you are struggling to pay your mortgage or outstanding loans and credit cards:

SPEAK TO YOUR LENDERS!

The government is working with financial providers to ensure the public can access financial help with its outstanding debt.

Request Payment holidays - but bear in mind that interest might and in most cases will, still accrue on the outstanding balance you owe.

It is best to pay what you can afford to pay during the payment holiday to avoid racking up more debt than you need to.

If you are struggling to pay your rent - **SPEAK TO YOUR LANDLORD!**

The government has put measures in place so that no renter/tenant in either social or private accommodation will be forced out of their home. You are still liable for your rent but if you face financial hardship and struggle to pay you rent - work together with your landlord to put an affordable rent payment scheme in place.

BENEFITS

What is Universal Credit?

Universal Credit is a monthly payment to help you meet your living costs which you may be able to claim if you're on a low income or out of work. It is a means-tested benefit and the DWP are working through the increased number of claims due to the coronavirus. If you're unemployed, off work due to sickness, on a low income, or struggling financially in any way, you could be eligible for Universal Credit. You can still apply even if you still work for an employer, are self-employed, have been recently furloughed or made redundant, or had a reduction in your wages.

<https://www.universal-credit.service.gov.uk/>

Still Worried About Your Finances? Ask For Help Now!

CITIZENS ADVICE

<<https://www.citizensadvice.org.uk/debt-and-money/debt-solutions/>>

Full debt and consumer advice service. Many bureaux have specialist caseworkers to deal with any type of debt, including repossessions and negotiation with creditors.

Find your nearest <<http://www.citizensadvice.org.uk/index/getadvice.htm>>

CA centre - Tel: 03444 111 444

StepChange Debt Charity <<http://www.stepchange.org/>>

A full debt help service is available across the UK. Online support is also available via its debt advice tool <<https://www.stepchange.org/start.aspx?>> where you can create a budget and get a personal action plan with practical next steps.

* Tel: 0800 138 1111

* Opening Times: Mon - Fri 8am to 8pm, Sat 8am to 4pm

National Debtline <<http://www.nationaldebtline.org/>>

National Debtline provides free advice and resources to help people deal with their debts. Advice is available over the phone, online and via webchat.

* Tel: 0808 808 4000

* Opening Times: Mon - Fri 9am to 8pm, Sat 9.30am to 1pm

Christians Against Poverty

<https://capuk.org/>

New enquiries helpline: 0800 328 0006

Head office client support line: 01274 761 999 or email: contact@capuk.org