

Helping small business and the self employed

I am going to have another go at getting the government to speed up and widen the eligibility for its schemes of help for small businesses and the self employed. I am receiving numerous very worrying emails from people whose incomes have been stopped who do not qualify for assistance.

1. The government needs to include owner Directors of small companies who rely on the income and maybe dividends of their business to pay their living costs.
2. It needs to raise the earnings ceiling on the self employed scheme
3. It needs to include people who have set up businesses that is their sole means of financial support more recently
4. It needs to aim for an early payout, not sometime in June.
5. It needs to offer downloadable simple forms now that permit people to apply for money on a self certified basis, with adjustments made later in the year. These should be made through the tax system with the payments made as a kind of negative tax against claims based on no income

The government also needs to speed up the applications and decisions on the furlough scheme for business. Otherwise more companies will conclude they have to make people redundant to save costs.

The commercial banks need to rethink their demands for detailed business plans and cashflow forecasts, and for personal guarantees, for what is bridging finance for enterprises that have been forced in to temporary closure so producing no revenue. The interest rates charged should also be realistic compared to the commercial banks' very low financing costs with official rates around zero.