

# Latest Business Updates

December 2020

## Chancellor extends furlough and loan schemes

The furlough scheme has been extended until the end of April 2021 with the government continuing to contribute 80% towards wages (cap of £2500) – giving businesses and employees across the UK certainty into the New Year

- ❑ furlough scheme extended until the end of April 2021, and the rate will be 80%
- ❑ businesses struggling will have now until the end of March 2021 to access government loan schemes. (CBILS, BBL)
- ❑ Chancellor also confirmed that the Budget will be on the 3 March and set out the next phase of the plan to tackle the virus and protect jobs
- ❑ A successor loan scheme will be announced at the next budget.

These changes come ahead of the Budget, which the Chancellor has confirmed will take place on 3 March 2021. This will deliver the next phase of the plan to tackle the virus and protect jobs, so the extensions to the business loan and furlough schemes enable businesses to plan with certainty and access support in the first few months of the New Year ahead of the further update on wider Covid-19 economic support.

## Business Planning for 2021

Business planning for 2021 is more difficult as we cannot predict the date of a return to normality or what will happen with Brexit just yet, but there are some practical steps you can take to minimise potential disruption to your business:

1. Review your Budgets and set realistic and achievable targets for 2021.
2. Get your employees involved in a discussion of likely trading conditions and get their input on reducing costs and maintaining revenues.
3. Review and chart the main processes in your business (e.g. Sales processing, order fulfilment, shipping etc.) and challenge the need for each step.
5. Encourage team members to suggest ways to streamline and simplify processes (e.g. sit down and brainstorm about efficiencies and cost reduction).
6. Put extra effort into making sure your relationships with your customers are solid.
7. Review your list of products and services and eliminate those that are unprofitable or not core products/services.
8. Review efficiency of business processes and consider alternatives such as outsourcing certain activities locally or overseas.
9. Agree extended payment terms (if applicable) with all suppliers in advance.
10. Pull everyone together and explain the business strategy and get their buy-in.
11. Remember to spend some quality time with the people that matter to you, especially family and friends!
12. Use the holiday period as an opportunity to reflect on the exceptional challenges you have faced as a result of Covid-19 over the last 12 months. What were your most significant accomplishments? Have you encountered any setbacks or

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disappointments? Consider what you have learned from your experiences to improve your prospects for 2021.

13. Send notes to colleagues, customers and contacts to thank them for their support during such a difficult year.
14. Your final task is to set yourself and the business some specific goals for 2021. Make sure to keep them visible and share them.

Please talk to us about cash flow planning for the next six months, we can help with a template so you can do this yourself or work together to produce estimates for a variety of scenarios.

## Brexit planning for 1 January

Whether or not there is a trade deal with the EU, there are new rules for businesses and citizens from 1 January 2021.

There is a Government Brexit checker to assist with the planning for business, family, and personal circumstances. Use the Brexit checker to get a personalised list of actions. You can also sign up for emails to get updates for what you need to do.

[Access the Brexit Transition checker here.](#)