

**FCA proposes measures to help motor finance customers facing financial difficulties**

The Financial Conduct Authority has announced a proposed package of coronavirus support measures for consumers having difficulties paying their motor finance, including personal contract hire products.

More details can be found in the regulator's [draft temporary guidance for firms offering Motor finance](#).

If customers are experiencing temporary financial difficulties due to coronavirus, the FCA is expecting firms to:

- offer a 3-month payment freeze or another alternative which is in the best interests of the customer
- not take steps to end the agreement or repossess the vehicle

The measures outlined today do not prevent firms from providing more favourable forms of assistance to any customer, including a longer payment freeze, if appropriate.

There is no expectation under this guidance that the firm makes enquiries with each customer to determine the circumstances surrounding a request for a payment deferral, or whether this is not in the customer's interests. Where a term is being extended, firms should bring to the attention of the customer the need to consider wider implications of the extension – such as potential knock-on effects on insurance, warranties, breakdown cover or MOT.

The BVRLA, together with the Finance & Leasing Association, continues to share its industry views with the FCA and will be submitting a response to today's proposals by Monday's deadline. Members wanting to share their views should contact BVRLA Director of Fleet Services, Amanda Brandon [Amanda@bvrla.co.uk](mailto:Amanda@bvrla.co.uk) by 4pm today (Friday 17 April).

The FCA expects to finalise proposals by Friday 24 April 2020, with them coming into force shortly afterwards.

### **Get ready to claim via the Coronavirus Job Retention Scheme**

The online service for the Coronavirus Job Retention Scheme launches on Monday and members are being encouraged to get prepared with everything they need to go through the claims process.

To make a claim you will need:

- a Government Gateway (GG) ID and password – if you don't already have a GG account, you can [apply for one online](#), or by going to GOV.UK and searching for 'HMRC services: sign in or register'
- be enrolled for PAYE online – if you aren't registered yet, [you can do so now, or by going to GOV.UK and searching for 'PAYE Online for employers'](#)
- the following information for each furloughed employee you will be claiming for: name, National Insurance Number, claim period and claim amount, PAYE/employee number (optional).
- if you have fewer than 100 furloughed staff – you will need to input information directly into the system for each employee. If you have 100 or more furloughed staff – you will need to upload a file with information for each employee; HMRC will accept the following file types: .xls .xlsx .csv .ods.

You should retain all records and calculations in respect of your claims.

[You can find more information on the scheme and eligibility to claim on the Government website.](#)

### **Chancellor expands funding to include large businesses**

A government-backed loan scheme for large businesses affected by coronavirus has been expanded to cover all viable firms.

Launching on Monday, the [Coronavirus Large Business Interruption Loan Scheme](#) will be available to all viable large businesses and will enable:

- businesses with turnover of more than £45m to apply for up to £25 million of finance
- Businesses with turnover of more than £250 million to apply for up to £50 million

The scheme will be available through a series of accredited lenders, which will be listed on the British Business Bank website.

The government will provide lenders with a guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance.

This complements existing support available for businesses large and small, including the Covid Corporate Financing Facility and the Coronavirus Business Interruption Loan Scheme, tax deferrals, the Coronavirus Job Retention Scheme, cash grants for small businesses, and covering the cost of statutory sick pay.

### **Companies House supports businesses impacted by Covid-19**

Companies House has today announced that it will temporarily pause the strike-off process to prevent companies being dissolved.

This will give businesses affected by the coronavirus outbreak the time they need to update their records and help them avoid being struck-off the register.

In addition, companies issued with a late filing penalty due to Covid-19 will have appeals treated sympathetically.

Today's announcement builds on measures already implemented by the Secretary of State for Business, Energy and Industrial Strategy, which give businesses the ability to apply for a [3-month extension to file accounts with Companies House](#).

### **Relaxation of driver' hours extended by a further month**

The drivers' hours relaxations that began on Monday 23 March 2020 and were due to end on 21 April 2020, will now run until 31 May 2020.

A specific review of the continuation of the relaxations past 21 April has been conducted and, on the basis of the current evidence, a decision has been made to continue with the relaxations, (apart from the relaxation on break requirements) until 23:59 on Sunday 31 May 2020.

Anyone driving under the EU drivers' hours rules or the GB drivers' hours rules and undertaking carriage of goods by road can use the relaxations where necessary. The relaxations are not limited to specific sectors or journeys.

### **Covid-19 fraud and scams on the rise**

Led by UK Finance, and backed by the Government, the *Take Five* campaign has launched a web page to promote awareness of [Covid-19 related fraud and scams](#).

Unscrupulous criminals are using the publicity around coronavirus as a chance to target businesses and individuals with fraudulent emails, phone calls, texts messages and social media posts.

Fraud poses a major threat to the UK and although it is a crime that the finance industry is committed to tackling, it requires the combined efforts of every sector, both public and private, to overcome.

Members are advised to visit the campaign page to ensure vigilance and help protect your business against scams.