

NEWSFLASH UPDATE – 9 November 2020

Furlough Scheme now extended to 31 March 2021

The Furlough Scheme/CJRS has now been extended to 31 March 2021 following the government's 3rd announcement in one week on 5 November. The Job Support Scheme which was due to start on 1 November has been postponed indefinitely and the CJRS retention bonus will be replaced by a new incentive scheme at the appropriate time after the CJRS scheme ends.



The extended Coronavirus Job Retention Scheme (CJRS) will apply as follows up to 31 March 2021 although there will be a review in January.

- The Government will pay 80% of wages for furloughed employees up to a cap of £2,500 per month, although employers can top this up if they wish.
- Flexible furloughing is allowed under the extended CJRS as well as full time furloughing. The government will pay for hours not worked. Employers are required to pay for hours worked in the normal way.
- The extended CJRS can be claimed for all employees who are on the employer's PAYE payroll on 30 October 2020. The employer must have made a RTI submission to HMRC from 20.3.20 to 30 October with details of earnings for these employees. Employees who were on the payroll on 23 October and were made redundant after this date can be re-employed and claimed for.
- The employer is responsible for payment of all National Insurance and pension contributions.
- Any agreement with employees regarding furlough leave should be in writing. Employers are required to report hours worked and the usual hours employees would be expected to work in any claim period.
- The extended CJRS is available for all employers whether or not they have made a previous CJRS claim.

Further details and guidance including when claims can be made are due to be published shortly.

Contact details: For further information or advice, please contact Tessa Fry, Head of Employment at tessa@growerfreeman.co.uk or 020 7723 3040.

Grower Freeman Solicitors, Ivor House, 26-26 Ivor Place, London NW1 6HR.

Disclaimer – This update is intended to provide readers with information on recent legal developments. It should not be construed as legal advice or guidance on a particular matter.