

Written 12 May 2020

UPDATE ON CORONA JOB RETENTION SCHEME

Chancellor Extends Furlough Scheme Until October

The government's Coronavirus Job Retention Scheme will remain open until the end of October,

The key points announced by Chancellor Rishi Sunak are:

- Coronavirus Job Retention Scheme will continue until end of October
- furloughed workers across UK will continue to receive 80% of their current salary, up to £2,500
- new flexibility will be introduced from August to get employees back to work and boost economy

The Government stated as we reopen the economy, we need to support people to get back to work. From the start of August, furloughed workers will be able to return to work part-time with employers being asked to pay a percentage towards the salaries of their furloughed staff.

The employer payments will substitute the contribution the government is currently making, ensuring that staff continue to receive 80% of their salary, up to £2,500 a month.

New statistics published today revealed the job retention scheme has protected 7.5 million workers and almost 1 million businesses.

The scheme will continue in its current form until the end of July and the changes to allow more flexibility will come in from the start of August.

More specific details and information around its implementation will be made available by the end of this month.

The government will explore ways through which furloughed workers who wish to do additional training or learn new skills are supported during this period. It will also continue to work closely with the Devolved Administrations to ensure the scheme supports people across the Union.

The Chancellor's decision to extend the scheme, which will continue to apply across all regions and sectors in the UK economy, comes after the government outlined its plan for the next phase of its response to the coronavirus outbreak.

Full text see: <u>https://www.gov.uk/government/news/chancellor-extends-furlough-scheme-until-october?utm_source=469e4bd6-b6c1-4149-a76b-</u> 97f84a86bb07&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate



Please contact a member of our team if you would like to discuss any of the issues raised. Call: 0121 233 0090 Email: info@mdassociates.org.uk



HMRC UPDATE ON CJRS APPLICATION PROCESS

HMRC have emailed an update for employers on CJRS. See: https://content.govdelivery.com/accounts/UKHMRCED/bulletins/28aefce

You can subscribe to HMRC updates on the above link to receive these if you are not already doing so.

NEW FEATURES ON CJRS ONLINE CLAIM SERVICE.

Save and return option now added

In response to feedback from claimants using the service, HMRC have added a 'save and return' option. This means that you can now return to a partially completed claim, rather than having to do it all in one go.

HMRC GUIDANCE ON MAKING A CJRS CLAIM

Avoiding common mistakes

When you make a claim through CJRS, you should receive the funds within six working days after you apply, provided your claim matches records that HMRC hold for your PAYE scheme.

Making sure that you submit your claim correctly will reduce the chance of any delayed or wrong payments.

These steps should help keep the process as straight forward as possible:

- read the guidance before you apply, to find this go to GOV.UK and search for 'Coronavirus Job Retention Scheme', there is a step-by-step guide to applying and a calculator
- check your employees are eligible, by looking at the guidance on GOV.UK
- check your calculations each time you submit a claim, in case any details have changed
- only submit one claim per pay period you cannot submit another claim for overlapping periods; this means that in each claim you should include all furloughed employees paid during that period
- if you have missing National Insurance numbers for employees, do try and find them so it doesn't delay your claim; if an employee doesn't have a National Insurance number yet, you should contact HMRC in order to complete your claim; go to GOV.UK and search for 'get help with the Coronavirus Job Retention Scheme' to find out how to contact us
- double check all the information in the claim before you submit it, including your bank details.

We understand that sometimes you might make an error in your claim, and HMRC are working on a process to enable you to amend a claim. In the meantime, please do not amend your next claim to reflect any errors that you may have made in a previous one, as this could delay payment. If HMRC spot an error then, where possible, they will contact you or your agent to correct the claim.

