

## LATEST GOVERNMENT SUPPORT AND GUIDANCE

### JOB RETENTION SCHEME - FLEXIBLE FURLOUGHING AND IMPORTANT DATES

From 1 July 2020, Businesses will have the flexibility to bring previously furloughed employees back to work part-time – with the government continuing to pay 80% of wages for any of their normal hours they do not work up until the end of August.

Businesses can decide the hours and shift patterns that their employees will work on their return and you will be responsible for paying their wages in full while working. This means that employees can work as much or as little as your business needs, with no minimum time that you can furlough staff for.

Any working hours arrangement that you agree with your employee must cover at least one week and be confirmed to the employee in writing.

When claiming the Coronavirus Job Retention Scheme (CJRS) grant for furloughed hours, you will report and claim for a minimum period of a week. Businesses can choose to make claims for longer periods such as on monthly or two weekly cycles if this is more appropriate.

[You will be required to submit data on the usual hours an employee would be expected to work in a claim period and actual hours worked. We can assist and make the claims for you.](#)

If your employees are unable to return to work, or you do not have work for them to do, they can remain on furlough and you can continue to claim the grant for their full hours under the existing rules.

### Employer contributions

From August, the government grant will be tapered as follows:

- For June and July, the government will pay 80% of wages up to a cap of £2,500 as well as employer National Insurance (ER's NICs) and pension contributions for the hours the employee does not work – employers will have to pay employees for the hours they work.
- In August, the government will continue to pay 80% of wages up to a cap of £2,500 but employers will pay ER's NIC's and pension contributions.
- From 1 September, the government will pay 70% of wages up to a cap of £2,187.50 for the hours the employee does not work – employers will pay ER NICs, pension contributions and 10% of wages to make up 80% of the total up to a cap of £2,500
- For the final month of the scheme in October, the government will pay 60% of wages up to a cap of £1,875 for the hours the employee does not work – employers will pay ER NICs, pension contributions and 20% of wages to make up 80% of the total up to a cap of £2,500
- the cap on the furlough grant will be proportional to the hours not worked.

### Important dates

It is important to note that the scheme will close to new entrants from 30 June. From this point onwards, you will only be able to furlough employees that you have furloughed for a full three-week period prior to 30 June.

This means that the final date that you can furlough an employee for the first time will be 10 June for the current three-week furlough period to be completed by 30 June. Employers will have until 31 July to make any claims in respect of the period to 30 June.

### Guidance and support

Further support on how to calculate claims with the extra flexibility will be available by 12 June and we will keep you informed about the detail and your written requirements in due course. If you have any questions please contact us.

See: [CJRS - HMRC Further Guidance](#)

## **CHANCELLOR EXTENDS SELF-EMPLOYMENT SUPPORT SCHEME**

The government's Self-Employment Income Support Scheme will be extended, giving more security to individuals whose livelihoods are adversely affected by coronavirus in the coming months, the Chancellor announced on Friday 29 May 2020. Rishi Sunak announced the Self-Employment Income Support Scheme will be extended - with those eligible able to claim a second and final grant capped at £6,570.

- Individuals can continue to apply for the first SEISS grant until 13 July. Under the first grant, eligible individuals can claim a taxable grant worth 80% of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £7,500 in total. Those eligible have the money paid into their bank account within six working days of completing a claim.
- Applications for the second grant will open in August. Individuals will be able to claim a second taxable grant worth 70% of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £6,570 in total.
- The eligibility criteria are the same for both grants, and individuals will need to confirm that their business has been adversely affected by coronavirus. An individual does not need to have claimed the first grant to receive the second grant: for example, they may only have been adversely affected by COVID-19 in this later phase.

Further guidance on the second grant will be published on Friday 12 June and we will keep you up to date with the details when we know them.

See: [HMRC SEISS Extension](#)