

Coronavirus: Extension to the Furlough Scheme

On 17 December the Chancellor announced a further extension to the Job Retention Scheme (CJRS).

[Extension to the Coronavirus Job Retention Scheme \(Furlough\)](#)

- The Job Retention Scheme has now been extended until 30 April 2021.
- The scheme applies to all nations of the United Kingdom.
- Employers do not need to have used the CJRS previously.
- These rules may differ for employees who have been on maternity, shared parental, paternity, or parental bereavement leave.

How will the scheme work?

- Employers will be required to pay employees' normal wages while they are working. The government subsidy will only apply to hours when the employee is not working.
- The CJRS grant will amount to 80% of the pay for hours that the employee is not working, subject to the £2,500 cap.
- Employers will pay employer NICs and pension contributions, and should continue to pay the employee for hours worked in the normal way.
- Employers can choose to top up employee wages above the scheme grant at their own expense if they want to.

Eligibility

- All employers with a UK bank account and UK PAYE schemes can claim the grant. Neither the employer nor the employee needs to have previously used the CJRS.
- To be eligible to be claimed for under this extension, employees must be on an employer's PAYE payroll by 23:59 30th October 2020.
- The employer must have made a PAYE Real Time Information (RTI) submission to HMRC between the 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.
- Employees that were employed and on the payroll on 23 September 2020 who were made redundant or stopped working for their employer afterwards can be re-employed and claimed for.

How to access the scheme

- In order to apply you will need to be registered for [PAYE online](#).
- Employers must agree with the worker any new flexible furlough working arrangements and confirm that agreement in writing. Employers can enter into several successive furlough agreements to ensure maximum flexibility.
- When employers are making decisions in relation to the process, including deciding who to offer furlough to, equality and discrimination laws will apply in the usual way.
- Employers must a written record of the agreed flexible furlough working arrangements. This must be kept for at least five years.

- Employers must also keep records of how many hours the worker works and the number of hours they are furloughed. Records of all claims and calculations must be kept for at least six years and must include:
 - amounts claimed and the claim periods for each employee;
 - claim reference number;
 - calculations used when preparing the claims;
 - usual hours worked by flexibly furloughed employees (including the calculations used to reach those figures);
 - actual hours worked by flexibly furloughed employees.
- Claims should be made through the [HMRC portal](#):
 - You'll need the Government Gateway user ID and password you got when you registered for PAYE online.
 - You must complete your claim within 7 days of starting it.

Deadlines

- Claims for furlough days in December 2020 must be made by 14 January 2021.
- You can no longer submit claims for claim periods ending on or before 31 October 2020.
- Claims relating to each subsequent month should be submitted by day 14 of the following month, to ensure prompt claims following the end of the month which is the subject of the claim.

When the government ends the scheme

When the scheme closes, you must decide to either:

- bring your employees back to work on their normal hours
- reduce your employees' hours
- terminate their employment ([normal redundancy rules apply to furloughed employees](#))

Job Retention Bonus

Key details:

- The JRB will not be paid in February but will be redeployed at the appropriate time.
- The purpose of the JRB was to encourage employers to keep people in work until the end of January.
- Given the CJRS is being extended to the end of March, the policy intent of the JRB falls away.