

COVID-19**Coronavirus briefing, helpful advice and tips –****22nd October 2020**

We are officially in the 'Second Wave' of the COVID-19 pandemic in the UK and Government advice is changing as the situation develops. They have, for example, just announced the three-tier lockdown restriction system for England. In these circumstances it can be hard to cut through speculation or clarify reports.

Here at Wise & Co we like to stick to the facts, so we've put together our latest guide on the essentials, to help you through the coming months.

Job Retention Bonus

Employers will be able to claim a £1,000 one off taxable payment for each eligible employee furloughed and continuously employed until 31 January 2021. This bonus can be claimed between 15 February 2021 and 31 Mar 2021.

Furlough and the Coronavirus Job Retention Scheme (CJRS)

Employers may have put some or all of their employees on temporary leave (furlough) over the summer and be claiming under the [Coronavirus Job Retention Scheme](#).

This scheme will close on 31st October 2020. The CJRS covered 80% of a monthly wage (up to £2,500 for the hours an employee was on furlough) until August but the amount has steadily reduced each month since then. The total employers can claim for October is 60% of wages up to a cap of £1,875.

Note: Employees of firms that have been legally closed in the period before 1st November are eligible for the CJRS.

Job Support Scheme (JSS)

The Government's [Job Support Scheme](#) (JSS) has been expanded to protect jobs and support businesses across the UK which are forced to close because of local or national coronavirus restrictions. The new Job Support Scheme will run for six months, from 1st November – April 2021. It's open to businesses across the UK even if they haven't previously used the Furlough Scheme.

1.1 Employers facing decreased demand (JSS Open)

- Employees will need to work a minimum of 20% of their usual hours and the employer will continue to pay for the hours worked as normal.
- Employees will receive 66.67% of their normal pay for the hours not worked - this will be made up of contributions from the employer and from the government. Employers will pay 5% of the salary for the hours not worked, up to a maximum of £125 per month, with the discretion to pay more than this if they wish.
- The government will pay the remainder of 61.67%, of the salary for the hours not worked, up to a maximum of £1,541.75 per month. This will ensure employees continue to receive at least two thirds of their normal wages, where they earn £3,125 a month or less.

1.2 Employers who are legally required to close their premises (JSS Closed)

- Employees who cannot work due to these restrictions will receive two thirds of their normal pay, paid by their employer and fully funded by the government, to a maximum of £2,083.33 per month, the employer has discretion to pay more than this if they wish.
- The [Job Retention Bonus](#) is also available to employers who use the Job Support Scheme.

Note: Employees must have been on their employer's PAYE payroll - and an RTI submission must have been made notifying payment in respect of that employee to HMRC - on or before 23rd September 2020 to be eligible.

Kickstart Scheme

This scheme is well worthy of a mention as it helps young jobseekers and businesses too! The idea of the [Kickstart Scheme](#) is to create new, fully subsidised jobs for young people across the country and incentivising employers to take them on.

- The 6-month placements are open to those aged 16-24 who are claiming Universal Credit and at risk of long-term unemployment. They will be available across a range of different sectors in England, Scotland and Wales.
- Employers will receive funding for 100% of the National Minimum Wage (or National Living Wage depending on the age of the participant) for 25 hours a week for a total of six months, plus associated employer National Insurance contributions and employer minimum auto-enrolment pension contributions.

Note: Employers can spread the start date of the placements up until the end of December 2021.

Please get in touch if you would like any additional guidance on these issues or a chat about other ways to protect your business.

Best wishes

The FirmValue Payroll Team