

Updated 24/03/2020

Coronavirus Job Retention Scheme

We appreciate this is a worrying time for many. Information is changing rapidly, however, based on what we currently know:

The Coronavirus Job retention Scheme allows all UK employers to access financial support to continue paying part of their employees salary, that would otherwise have been laid off. The aim is to prevent layoffs and redundancies.

- All UK businesses with a PAYE scheme will be eligible, regardless of size
- The government will pay up to 80% of wages, up to £2500, for employees who would otherwise be made redundant
- The scheme is to run for 3 months and extended as necessary
- Claims can be backdated from wages lost since March 1st 2020

How does it work?

- The employer must designate affected employees as furloughed workers
- Employees should be notified - agreement may be required
- HMRC must be notified about furloughed employees and details of their earnings. This is done via an online portal (currently not set up).
- HMRC will reimburse 80% of furloughed workers wage costs up to the cap month.
- The employees remain employed

When can I access it?

HMRC is working urgently to develop the systems necessary to reimburse these costs. They expect the first grants to be paid within weeks and aim to get it done before the end of April.

If your business needs short term cash flow support, you may be able to get a Coronavirus Business Interruption Loan.

We will let you know as soon as we have more information regarding this scheme.

