



CHARTERED CERTIFIED ACCOUNTANTS

Coronavirus Job Retention Scheme (Amended May 2021)

The Coronavirus Job Retention Scheme (CJRS) has been extended until 30th September 2021. Employers can use this scheme to help pay their staff while they cannot work this is known as being furloughed. Employees can be furloughed due a decrease in business due to the Coronavirus pandemic or due to government-imposed lockdowns and restrictions.

Checking Your Employee Is Eligible for Furlough

For periods ending on or before 30 April 2021, you can claim for employees who were employed on 30 October 2020, as long as you have made a PAYE Real Time Information (RTI) submission to HMRC between 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee. You do not need to have previously claimed for an employee before the 30 October 2020 to claim for periods from 1 November 2020.

For periods starting on or after 1 May 2021, you can claim for employees who were employed on 2 March 2021, as long as you have made a PAYE Real Time Information (RTI) submission to HMRC between 20 March 2020 and 2 March 2021, notifying a payment of earnings for that employee. You do not need to have previously claimed for an employee before the 2 March 2021 to claim for periods from starting on or after 1 May 2021.

You can claim for employees on any type of employment contract, including full-time, part-time, agency, flexible or zero-hour contracts. Foreign nationals are eligible to be furloughed. Grants under the scheme are not counted as 'access to public funds', and you can furlough employees on all categories of visa.

CJRS Grant Amounts You Can Claim:

For periods ending on or before 30 June 2021 - you can claim 80% of an employee's usual salary for hours not worked, up to a maximum of £2,500 per month. You must pay your employee at least 80% of their usual wages for the hours that they're furloughed and not working. Employers will not be required to contribute to or top-up the employee's pay for the hours not worked. You'll still need to pay employer National Insurance contributions and employer pension contributions, and you cannot claim for these. You can choose to top up your employees' wages above the

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minimum 80% furlough pay amount, but you do not have to. Employees must not work or provide any services for the business during hours which they're recorded as being on furlough, even if they receive a top-up wage.

From 1 July 2021 - the level of grant will be reduced each month and you'll be asked to contribute towards the cost of your furloughed employees' wages.

You can calculate the grant for the entire claim period or for each pay period, or part of a pay period, that falls within that claim period. This guidance assumes that you'll calculate on a pay period basis but either method is acceptable.

What Is an Employee's Usual Wage?

The calculation of the employee's usual wages is based on the amount they were paid in a particular period, so if their pay or working arrangements have recently changed then the amount you can claim (and the amount you must pay them for the hours not worked) may be based on the previous arrangements.

Flexible Furlough

From 1 July 2020 employers have been able to bring furloughed employees back to work for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked, this is called 'Flexible Furlough'. If your employee is flexibly furloughed, which means they're working reduced hours rather than stopping work completely, you must pay them their full current contracted rate for any hours they work. You cannot claim a grant towards the hours the employee works.

CJRS Deadline Dates

Claims for Furlough Days	Must be submitted by
On or before 31 st Oct	No more submissions, deadline has passed
In March 2021	14 th April 2021
In April 2021	14 th May 2021
In May 2021	14 th June 2021
In June 2021	14 th July 2021
In July 2021	16 th August 2021
In August 2021	14 th September 2021
In September 2021	14 th October 2021

Record Keeping Requirements

You must keep a copy of all records for 6 years, including:

- The amount claimed and claim period for each employee.
- The claim reference number for your records.
- Your calculations in case HMRC need more information about your claim.
- Usual hours worked, including any calculations that were required, for employees you flexibly furloughed.
- Actual hours worked for employees you flexibly furloughed.

Calculate How much CJRS Grant You Can Claim

You can calculate the amount you can claim by using the government tool here:

<https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme#what-you-can-claim>

Help & Advice

The Coronavirus Job Retention Scheme has been a lifeline for businesses to enable them to keep their staff paid throughout periods of decreased or no trade.

The eligibility criteria for CJRS has subsequently changed since it was first introduced at the start of the pandemic, these updated guidelines aim to give you all the information you require simply and concisely.

If you would like advice based on your specific circumstances and financial position, get in touch with a member of our team to discuss the options.

Email us at: Info@pricedavis.co.uk or call: 01452 812491.