

# Coronavirus Job Retention Scheme

## What is it?

A number of employers around the country are considering laying off staff due to reduced revenues and the closure of their business premises due to coronavirus.

The [Coronavirus Job Retention Scheme](#) has been set up to support those employers and help them continue to pay wages of staff who would otherwise have been let go.

## Who is eligible?

All UK businesses, including charities, are eligible for the Coronavirus Job Retention Scheme. There isn't a cap on the number of workers who can be selected for the scheme.

## What it covers

The Coronavirus Job Retention Scheme will reimburse 80% of furloughed workers' wages, up to £2,500 per employee per month. Your business can top up these salaries if you wish.

Your workers need to be currently working in your business – and not have been laid off or made redundant – in order for you to access the scheme.

If required, they can take on other jobs with other businesses; doing so won't impact on this cover – but they can't do any work for the employer who claims under the Coronavirus Job Retention Scheme.

The scheme will be available for an initial three months and will be extended if required. It means any of your employees who aren't actively working for you due to the current disruption to the economy still receive a salary and your business can retain their services in the long term.

## How your business can access it

HMRC is currently working on the creation of an online portal and reimbursement system. The scheme expected to be fully operational by the end of April 2020.

Your business will be able to backdate pay to 1 March 2020.

To access the Coronavirus Job Retention Scheme, you'll need to designate affected employees as 'furloughed workers' and notify your employees of this change. These changes remain subject to existing employment law.

Next, once the online portal is up and running, you'll need to submit information about the employees that have been furloughed to HMRC, including salary details.

HMRC will then reimburse 80% of furloughed workers' wages, as highlighted above.

If your business has cash flow issues ahead of the portal going live, it's worth accessing the Coronavirus Business Interruption Loan Scheme (if your company is eligible) – see above for details.

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