

Extended furlough scheme

It was announced in the budget that the Coronavirus Job Retention Scheme (CJRS) would be extended until September 2021.

10 March 2021

Please note: the information contained in this legal update is correct as of the original date of publication.

It was announced in the budget that the Coronavirus Job Retention Scheme (CJRS) would be extended until September 2021. Once again, a few tweaks have been made, although the general principles of flexible furlough remain the same.

Which employees does the extended scheme apply to?

- For periods ending on or before 30 April 2021: subject to the comments below in respect of re-employed employees, employees employed on 30 October 2020 and for whom a PAYE RTI submission has been made between 20 March 2020 and 30 October 2020 notifying a payment of earnings for that employee.
- For periods starting on or after 1 May 2021: employees employed on 2 March 2021, provided that a PAYE RTI submission has been made between 20 March 2020 and 2 March 2021 notifying a payment of earnings for that employee.
- For periods between 1 November 2020 and 30 April 2021 in respect of re-employed employees: employees employed on 23 September 2020 and for whom a PAYE RTI submission has been made between 20 March 2020 and 30 October 2020 notifying a payment of earnings for that employee where the employee stopped working for you after 23 September and has subsequently been re-employed.

What is the level of the government grant?

- Up to 30 June 2021: 80% of wages for hours not worked, up to £2,500 per month.
- 1 July to 31 July 2021: 70% of wages for hours not worked, up to £2,187.50 per month.
- 1 August to 30 September 2021: 60% of wages for hours not worked, up to £1,875 per month.

Wage caps are proportional to the hours not worked.

Employees need to be paid a minimum of 80% of their wages, up to a cap of £2,500 per month for the time they spend on furlough. This means that the employer will have to top up the level of the grant in July, August and September.

When must claims be submitted by?

There are precise dates set out when claims for the grant must be submitted by – for example, a claim for furlough days in February must be submitted by 15 March 2021. These dates are not the same each month. A list is included [here](#). Guidance is also included as to when it may be reasonable to miss the set date.

What information will be published?

Names of employers who have made a claim under the CJRS were first published in December 2020 as part of a drive to improve transparency and deter fraud. As from February 2021, an indication of the value of the claim will also be published.

Employees can also check their personal tax account to see if they were included in a claim in December 2020. The information will be updated monthly and January claims will be available as from the end of March. Employees are advised in government guidance to speak

to their employer (if they feel comfortable doing so) if the information in their personal tax account is different to that they were expecting. They are also advised that they can report any fraud to HMRC online.

The extension of the scheme (and the higher level of notice of the same) will be welcome to many employers and employees alike and provide an additional level of support during the continuing lockdown and beyond. Employers will still need to consider their ongoing workforce needs beyond the latest CJRS extension, taking into account that it is still the case under the extension that grants under the CJRS cannot be claimed for any periods where the employee is serving a period of contractual or statutory notice.

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