

# Furlough

## COVID-19 – Coronavirus Job Retention Scheme (CJRS) Update – March 2021

The Government recognises the potential devastating impact that can be caused by the mandatory closure of a business and they have, therefore, agreed to extend the Coronavirus Job Retention Scheme (CJRS) until 30 September to afford some protection to employers and employees.

As before there are some eligibility criteria:

- Employer must have a UK payroll and UK bank account.
- 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 RTI submission to HMRC between the 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee. This may differ where you have made employees redundant, or they stopped working for you on or after 23 September 2020 and you have subsequently re-employed them. You do not need to have previously claimed for an employee before the 30 October 2020 to claim.
- 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 starting on or after 1 May 2021.
- The grant is capped at 80% of wages, subject to a maximum of £2,500 per calendar month.
- From 1 July 2021, the level of grant will be reduced, and employers will be asked to contribute towards the cost of furloughed employees' wages to make up the difference to 80% (capped) of wages for any time spent on furlough.
- The employer is responsible for payment of employer's NIC and pension contributions.
- As before, any amendments to working hours must be agreed in writing with your employee.
- You can continue to choose to top up your employees' wages above the 80% total and £2,500 cap for the hours not worked at your own expense.

The table below shows the level of government contribution available from July 2021, the required employer contribution and the amount that the employee receives per month where the employee is furloughed 100% of the time.

Wage caps are proportional to the hours not worked.

Month	July	August	September
Government contribution: wages for hours not worked	70% up to £2,187.50	60% up to £1,875	60% up to £1,875
Employer contribution: employer National Insurance contributions and pension contributions	Yes	Yes	Yes
Employer contribution wages for hours not worked	10% up to £312.50	20% up to £625	20% up to £625
For hours not worked employee receives	80% up to £2,500 per month	80% up to £2,500 per month	80% up to £2,500 per month

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Flexible Furlough is available, so your employees can do some work, but the employer is responsible for payment of those hours in full. Only furloughed hours, where the employee does not work, are eligible to be included in the claim.

If your business did not make a claim during the last period of furlough, this does not preclude your business from using this scheme to assist during this time. Please get in touch and we can help to determine whether a claim can be made for your business. If you are a payroll client and we already have agent authorization, this process is easier, we are able to make claims where we do not act as agent, but it can take longer to get the relevant authorisations in place.

Claim for furlough days in	Claim must be submitted by
November 2020	14 December 2020
December 2020	14 January 2021
January 2021	15 February 2021
February 2021	15 March 2021
March 2021	14 April 2021
April 2021	14 May 2021
May 2021	14 June 2021
June 2021	14 July 2021
July 2021	16 August 2021
August 2021	14 September 2021
September 2021	14 October

If you would like further information, please contact our Team below:



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