

## CORONAVIRUS – JOB SUPPORT SCHEME FAQs

Coronavirus Job Retention Scheme (CJRS) is to end 31<sup>st</sup> October 2020 and in recognising the ongoing impact Covid -19 is having on businesses, the Government announced the launch of the **Job Support Scheme** (JSS) to take affect from 1<sup>st</sup> November 2020 which is to last for 6 months.

The JSS applies to current staff whether previously been on furlough or not and requires them to be retained on shorter hours by agreement.

The criteria for this scheme significantly differs from the Coronavirus Job Retention Scheme (CJRS) and on 22<sup>nd</sup> October 2020. The government announced a new **JSS Open and JSS Closed** schemes.

**JSS Open** will help reduce the financial cost to the employer in employing employees who would otherwise be at risk of redundancies and thus increasing the cost to the government. It is aimed at the protection of viable jobs in businesses who can operate safely but are facing lower demand over the winter period due to Covid 19 thus to avoid mass redundancies.

**JSS Closed** will apply where the employer has been legally required to closer the premises as a direct result of coronavirus restrictions set by one of or more of the four UK government.

Full details of the JSS are available on the GOV UK website at <https://www.gov.uk/government/publications/the-job-support-scheme/the-job-support-scheme>.

**\*Please read these FAQs in conjunction with the official guidance for employers and employees. The following material is provided only as a guide and is not legal advice. You are strongly advised to seek advice from a qualified legal practitioner regarding your individual circumstances.**

You can access support through email [hello@questcover.com](mailto:hello@questcover.com) or Phone: 01455 852028

If your business needs short term cash flow support, the government have introduced financial support schemes. Full details are available on the Gov UK website - <https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>

Question	Answer
<p><b>1. KEY DATES</b></p>	<p>The JSS starts on 1<sup>st</sup> November 2020 and will run for a 6-month period ending at the end of April 2021. It covers all home nations of the UK.</p> <p>The JSS will be reviewed at the end of January 2021.</p>
<p><b>2. ELIGIBILITY FOR COMPANIES</b></p>	<p>All UK SME's can apply for the JSS grant; they must have a UK, Channel Island or Isle of Man bank account and a UK PAYE scheme.</p> <p>As per Coronavirus Job Retention Scheme (CJRS), fully publicly funded organisations are not expected to use JSS; however partially publicly funded organisations are eligible where their private revenue is affected by Covid 19.</p> <p>There is no financial assessment test for SME's. An SME is an employer who employs less than 250 employees across its legal entity on 23<sup>rd</sup> September 2020.</p> <p>Neither the employer nor employee had to have used the CJRS previously, i.e. – the 'furlough scheme'.</p> <p>Larger companies (more than 250 employees in one legal entity) may be eligible for JSS grant following a financial impact test to show their turnover has stayed level or lower now due to Covid 19. Full details of the financial impact test is available on the GOV UK website.</p>
<p><b>3. KEY CRITERIA</b></p>	<p>Employees must be on the employers PAYE payroll between 6<sup>th</sup> April 2020 and by 23.59 hours on 23<sup>rd</sup> September 2020. This means the employer must have made a real time information (RTI) submission to HMRC on or before 23<sup>rd</sup> September 2020.</p> <p>As the JSS involves a reduction in the employees contracted hours of work, employees must agree with their employer or trade union to be placed on the JSS via a written agreement. A record of this written agreement must be kept by employer.</p> <p>The agreement must be available for HMRC to view should they request this</p> <p>The JSS is open to all; not just for someone who has been a furlough worker. This includes staff on variable or zero-hour contracts or agency workers.</p> <p>The JSS grant will be paid in arrears, first payment in December 2020.</p>



	<p>Employers using the JSS will be able to claim the Job Retention Bonus; subject to them meeting the eligibility criteria.</p>
<p>4. <b>WHO QUALIFIES FOR JSS</b></p>	<p>The JSS is intended to support viable jobs only during the winter months where there is a downturn of work due to Covid 19.</p> <p>The employer must not be making the role redundant or put employee on notice during the JSS period for which the grant is being paid – hence ‘viable job’.</p> <p>Open to all employees; regardless of whether they were a furlough worker or not.</p> <p>Employees must have commenced employment on or before 23<sup>rd</sup> September 2020 and be on the company PAYE by this date</p> <p><b>JSS Open</b> will help reduce the financial cost to the employer in employing employees who would otherwise be at risk of redundancies and thus increasing the cost to the government. It is aimed at the protection of viable jobs in businesses who can operate safely but are facing lower demand over the winter period due to Covid 19 thus to avoid mass redundancies.</p> <p><b>JSS Closed</b> will apply where the employer has been legally required to closer the premises as a direct result of coronavirus restrictions set by one of or more of the four UK government.</p>
<p>5. <b>JSS OPEN WORKING ARRANGEMENTS AND PAYMENT</b></p>	<p>Gives the employer the option of keeping their employees in a job on shorter hours rather than making the employee redundant.</p> <p>Employees must work at least 20% of their usual hours and the employer must continue to pay for the hours worked. The published government JSS policy document outlines how to calculate usual hours for employees with fixed and variable hours.</p> <p>Employees will receive 66.67% of their normal pay for the hours not worked; this contribution will be made up from the employer and the government:</p> <ul style="list-style-type: none"> <li>• Employer contribution is 5% of non-worked hours up to a cap of £125 per month (employer has the discretion to pay more if they wish).</li> <li>• Government will pay the remainder of 61.67% of references salary for the hours not worked, up to a maximum of £1541.75 per month.</li> </ul>



	<ul style="list-style-type: none"> <li>• For example; if someone is paid £587 for their unworked hours; the government will contribute £543 and the employer will pay £44.</li> <li>• This will ensure employees earn a minimum of at least 73% of their normal wages, where their normal wages do not exceed the reference salary. These caps are based on a monthly reference salary of £3,125 a month or less.</li> </ul> <p>The employee does not have to work the same pattern each month but each short time working agreement must cover a minimum of 7 calendar day period</p> <p>The employee must work a minimum of 20% of their normal hours.</p> <p>Training is permitted for the working hours being claimed for under the JSS. Employer must ensure the employee is paid at the full rate of pay for the hours the employee spends on training.</p>
<p><b>6. JSS CLOSED</b></p>	<p>This applies where an employer has been legally required to close their premises as a direct result of coronavirus restrictions by the government.</p> <p>The JSS grant will help the employer during the period that they are directly affected by the restrictions.</p> <p>Employees who cannot work due to these restrictions will receive 2/3 of their normal pay; fully funded by the government. The maximum payment will be £2083.33 per month.</p> <p>The employer has the discretion to pay more if they wish.</p>
<p><b>7. JSS GRANT</b></p>	<p>Employers must pay employees their contracted wages for hours worked, and the Government and employer contributions for hours not worked but the JSS grant will be available via the HMRC online portal from 8<sup>th</sup> December 2020.</p> <p>The JSS payment will be made in arrears reimbursing the employer for the Government's contribution.</p> <p>The JSS grant must be used for its intended purpose. For every hour the employee did not work, the employer will be paid a total of two thirds of their usual hourly wage for that employee: up to a cap.</p> <p>The grant will not cover Class 1 employer NICs or pension contributions. These contributions will remain the employer's responsibility to pay. Employers will pay 5% of non-worked</p>



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	<p>hours, capped at £125 per month, and NICs and automatic enrolment pension contributions in full as a contribution.</p> <p>Normal wages calculations will be similar to CJRS; further details of how to calculate the reference salary will be soon.</p> <p>Calculations for employees who have previously been furloughed will not be based on furlough pay.</p> <p>Employers can top up employee's wages above the 5% contribution at their own discretion.</p>
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