



Job Support Scheme

With the current UK government furlough scheme ending on October 31st, this will be replaced with the Job Support Scheme (JSS).

The Job Support Scheme provides different types of support to these businesses so they can get the right assistance, at the right time, according to their situation. Businesses that are operating but facing decreased demand can get support for wages through JSS Open. Those businesses that are legally required to close their premises as a direct result of coronavirus restrictions set by one or more of the four governments of the UK can get the support they need through JSS Closed.

With the Job Support Scheme, the employee will need to work a minimum of 20% of their usual hours and the employer will continue to pay them as normal for the hours worked. Alongside this, the employee will receive 66.67% of their normal pay for the hours not worked - this will be made up of contributions from the employer and from the government.

The employer will pay 5% of reference salary for the hours not worked, up to a maximum of £125 per month, with the discretion to pay more than this if they wish. The government will pay the remainder of 61.67%, of reference salary for the hours not worked, up to a maximum of £1,541.75 per month. This will ensure employees continue to receive at least 73% of their normal wages, where they earn £3,125 a month or less.

JSS Closed

For employers that have been legally required to close their premises as a direct result of coronavirus restrictions set by one or more of the four governments of the UK, these businesses can claim using JSS Closed to support the wage costs of employees who have been instructed to cease work.

Each employee who cannot work due to these restrictions will receive two thirds of their normal pay, paid by their employer and fully funded by the government, to a maximum of £2,083.33 per month, although their employer has discretion to pay more than this if they wish.

Eligibility

Employers will be able to access the Job Support Scheme if:

- They have enrolled for PAYE online
- They have a UK, Channel Island, or Isle of Man bank account

Additional eligibility criteria will apply depending on whether the employer is claiming a JSS Open grant or JSS Closed grant.

Eligible employers will be able to claim the Job Support Scheme grant for employees who were on their PAYE payroll between 6 April 2019 and 11:59pm on 23 September 2020. This means an RTI Full Payment Submission notifying payment in respect of that employee must

have been made to HMRC at some point from 6 April 2019 up to 11:59pm 23 September 2020.

- Employers can only claim for employees that were in their employment on 23 September 2020. If employees ceased employment after 23 of September 2020 and were subsequently rehired, then employers can claim for them.
- Employees can be on any type of contract, including zero hours or temporary contracts.
- Employees do not need to have been furloughed under the Coronavirus Job Retention Scheme to be eligible for the Job Support Scheme.
- Employers will be able to top up employee wages above the level of minimum contributions at their own expense if they wish.
- Employers cannot claim both JSS Open and JSS Closed in respect of a single employee for the same day.

Who can claim JSS Open?

Employers facing decreased demand can claim JSS Open

In addition to the general Job Support Scheme eligibility criteria, employers are eligible to claim the JSS Open if:

- an employer can demonstrate their turnover has remained equal or fallen to show they have been adversely affected due to coronavirus
- some, or all, of their employees are working reduced hours - employees must still be working for at least 20% of their usual hours

Who can claim JSS Closed?

In addition to the general Job Support Scheme eligibility criteria, employers are eligible to claim JSS Closed if their business premises at one or more locations has been legally required to close as a direct result of coronavirus restrictions set by one or more of the four governments of the UK.

Employers are only eligible to claim for periods during which the relevant coronavirus restrictions are in place. Employers will not be able to claim JSS Closed to cover periods after restrictions have lifted and the business premises is legally allowed to reopen. They may then be able to claim JSS Open if they are eligible.

Eligible employers will be able to claim the JSS Closed grant for employees:

- whose primary work place is at the premises that have been legally required to close as a direct result of coronavirus restrictions set by one or more of the four governments of the UK
- that the employer has instructed to and who cease work for a minimum period of at least 7 consecutive calendar days

This is not a complete list of employee eligibility requirements for JSS Closed and further guidance will be published by the end of October.

JSS Closed temporary working agreements

Employers should discuss with their staff and make any changes to their employment contract by written agreement. When employers are making decisions in relation to the

process, including deciding who they should instruct to cease work, equality and discrimination laws will apply in the usual way.

To be eligible for the grant, employers must have reached written agreement with their employee (or reached written collective agreement with a trade union where the relevant terms are determined by collective agreement) that they have been instructed to and agree to stop working for a minimum of 7 consecutive calendar days. The agreement must be available for view by HMRC on request.

Employers must maintain records relating to the terms of these arrangements for each employee. They must:

- notify the employee of the agreement in writing
- make sure that the agreement is consistent with employment, equality and discrimination laws
- keep a written record of the agreement for 5 years
- this agreement must be made available to HMRC on request
- The employee must agree to the new arrangement.

Employers cannot claim for an employee who has been made redundant or is serving a contractual or statutory notice period during the claim period.

Paying employee taxes and pension contributions

The Job Support Scheme grant will not cover National Insurance contributions (NICs) or pension contributions. These contributions remain payable by the employer.

Employers must deduct and pay to HMRC income tax and employee NICs on the full amount that is paid to the employee, including any amounts subsequently met by a scheme grant.

Employers and Employees must also still pay pension contributions in accordance with the applicable pension scheme terms, unless the employee has opted out or stopped saving into their pension. If applicable Student Loan deductions and the Apprenticeship Levy must also still be paid.

Get ready to claim

Employers will be able to make their first claim from 8 December 2020 on GOV.UK.

Employers will be able to claim from 8 December, covering salary for pay periods ending and paid in November. Subsequent months will follow a similar pattern, with the final claims for April being made from early May. More detail about this process will be published in guidance by the end of October 2020.

Agents who are authorised to do PAYE online for employers will be able to claim on their behalf.