

Job Retention Scheme (JRS) Guidance

[Guidance on the rules relating to the JRS](#) and furloughing has been published by Government.

PLEASE NOTE: *This information is taken from the relevant Government websites and printed expert sources. Members are advised that they must take their own advice on how this applies to them, their staff and their individual circumstances.*

Key points include:

- **Eligibility:** the scheme is open to all UK employers that had a PAYE payroll scheme for employees in place on 28 February 2020; to qualify the employee must have been on the payroll on any form of contract including Zero Contracts (ZHCs) and agency contracts.
- If an employee was hired after this date they are not eligible.
- Anyone who was on payroll on 28 February 2020 but was then made redundant can be rehired and put of the Scheme.
- Any employer can apply – and can (from end of April) use a [portal to claim](#) up to **80% of wage costs up to a cap of £2,500 per month for all furloughed employees' (employees on a leave of absence) plus** the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. Any fees, commissions and bonuses are **not included**.
- The 80% calculated is to be based on the **employee's pre-tax salary**.
- Employers can choose to top to the payment to 100% but are not obliged to (subject to employment law and renegotiating any contractual entitlements).
- For employees whose pay varies, the employer can claim for the higher of (i) the same month's earning from the previous year (e.g. earning from March 2019), or (ii) average monthly earnings in the 2019-20 tax year.
- The scheme covers **employees who were made redundant** since 28 February 2020, *if* they are rehired.
- A furloughed employee **can not undertake work** for or on behalf of the organisation – although they can undertake training. If they work for even an hour (presumably during their entire three-week furlough period), they are not eligible.
- Employees who are working on **reduced hours, or for reduced pay, are not be eligible**.
- Employees must be paid the **lower of 80% of their salary, or £2,500** even if this means they end up receiving a wage below the National Living Wage/National Minimum Wage.

- Employers can only submit **one claim at least every 3 weeks**, which is the minimum length an employee can be furloughed for. Claims can be backdated until 1 March if applicable because the employee was laid off at this date.
- Employees on sick pay or self-isolating **cannot be furloughed** but can be furloughed after they recover. Employees who are shielding can be placed on furlough.
- Employees on maternity (or similar) leave can **continue to draw Statutory Maternity Pay** (or similar payments). The guidance does not prohibit women on maternity leave agreeing to return to work early and then being furloughed, or electing to change to shared parental leave and then being furloughed.
- Employers must be **careful not to discriminate in deciding who to offer furlough to**. There is a view amongst HR professionals that prioritising vulnerable workers is unlikely to be discrimination. Prioritising the over 70s (direct age discrimination against those under 70) is almost certainly justifiable, and those who do not suffer from serious health conditions are not a protected class.
- The guidance is silent on rotating furlough leave among employees, providing each employee is off for a period of at least three weeks.

Self-employed

[Support for the self-employed](#) has been announced and the key points are:

- The self-employed will receive a direct case grant of 80% of their average profits, up to £2,500 per month
- The Scheme is open to anyone with average profits of £50,000 or less
- It will initially operate for three months
- Grant won't be available until June – at which time those who are eligible will receive a payment for the whole three-month period

Business Support hub

Don't forget the [Business Support hub](#) which has been designed to help businesses across the UK and directs firms to the support available to them. This includes Business Rates Holidays, cash grants, SSP and more. It explains how the schemes works, who is eligible and when and how to apply and gives links to devolved administrations.

Twitter - [@bizsupportgovuk](#) LinkedIn - [Business Support](#)

Follow [this link](#) to **5 key steps** you can take today which will help you:

1. Get help with finances
2. See what you are entitled to
3. Support your staff
4. Check guidance on tax
5. Follow the latest advice

The NCC will keep monitoring the situation, so please ensure that you are receiving our emails direct to your devices and follow us on Twitter [@nccLtd](#).