

# Suresite Group



Job Retention  
Scheme - COVID-19



# Coronavirus Job Retention Scheme

## What is furlough?

Furlough leave has been temporarily introduced by the government to provide employers with an option to keep employees on the payroll without them working. As the furloughed staff are kept on the payroll, this is different to being laid off without pay or being made redundant. The word 'furlough' generally means temporary leave of absence from work. The ability to furlough employees is designed to support employers who are severely affected by coronavirus.

The scheme provides employers with another option when reviewing the circumstances of their business (as an alternative to redundancies or being laid off without pay) and each employer will need to review this option carefully (alongside legal advice) to pursue the best option for them.

## Extension of the scheme

The Coronavirus Job Retention Scheme which was originally scheduled to finish at the end of June is extended until the end of October. There will now be at least two phases:

- Until July 31 furloughed workers will continue to receive 80% of their current salary, up to £2,500 but must not work for the employer.
- From 1 August to October 31 the scheme becomes more flexible. Workers will continue to receive 80% of their salary subject to the cap but employers will need to share the burden of paying salaries with the Government. Employees will be able to work part-time during this phase. The percentage division of the grant between the government and employers during this second phase has not been confirmed.

## Which employers are eligible?

Any employer (of any size) is eligible for the scheme. This includes:

- businesses
- charities
- recruitment agencies (if the agency workers are paid through PAYE)
- public authorities.

To be eligible the employer must have created and started a PAYE payroll scheme on or before 19 March 2020 and have a UK bank account.

It has been confirmed that where a company is in administration, the administrator will be able to access the [Coronavirus Job Retention Scheme](#).

More information is available on the [government website](#) and further details of the extended scheme are expected.