

# Coronavirus Job Retention Scheme guidance updated further

Correct as of 30 April 2020

Just one month after it was announced by the Chancellor, the Coronavirus Job Retention Scheme is now live and operational. We have provided various updates including when the scheme was first announced, when further guidance was issued on 26 March 2020, on 6 April 2020, on 8 April 2020 as further details were announced, on 9 April 2020, on 15 April 2020 as the scheme expanded in scope and when the scheme went live on 20 April 2020.

There remain some areas of uncertainty which have yet to be addressed. The guidance is still under review with a further update issued last Friday and perhaps further to follow, so SGBs will need to ensure they keep on top of the latest developments and any subsequent changes.

Below we have summarised the latest update and the changes SGBs should be aware of.

## Clarification on eligible employees

The extension of the scheme to those employed between 28th February and 19th March has created uncertainty the new guidance seeks to address. SGBs can only claim for furloughed employees that were employed on 19 March 2020 and who were on their PAYE payroll on or before 19 March 2020. This means an RTI submission notifying payment in respect of that employee to HMRC must have been made on or before 19 March 2020. If SGBs had employees that were employed on 28 February 2020 but not on 19 March 2020, they should refer to the section below on employees who were made redundant or stopped working for them after 28 February 2020.

Was the employee employed with you as of this date?	Date RTI submission notifying payment was made to HMRC	Eligible for CJRS?
28 February 2020	On or before 28 February 2020	Yes
28 February 2020	On or before 19 March 2020	Yes

28 February 2020	On or after 20 March 2020	No
19 March 2020	On or before 19 March 2020	Yes
19 March 2020	On or after 20 March 2020	No
On or after 20 March 2020	On or after 20 March 2020	No

## If SGBs made employees redundant or they stopped working for an employer after 19 March 2020

If an employer made employees redundant, or they stopped working for them on or after 19 March 2020, they can re-employ them, put them on furlough and claim for their wages through the scheme from the date on which the employer furloughed them.

This applies as long as the employee was employed on 19 March 2020 and was on their PAYE payroll on or before 19 March 2020. This means an RTI submission notifying payment in respect of that employee to HMRC must have been made on or before 19 March 2020.

## If an employee is on a fixed term contract

An employee on a fixed term contract can be re-employed, furloughed and claimed for if either:

- their contract expired after 28 February 2020 and an RTI payment submission for the employee was notified to HMRC on or before 28 February 2020
- their contract expired after 19 March 2020 and an RTI payment submission for the employee was notified to HMRC on or before 19 March 2020

If the employee's fixed term contract has not already expired, it can be extended, or renewed. An employer can claim for them if an RTI payment submission for the employee was notified to HMRC on or before 19 March

2020.

Employees that started and ended the same contract between 28 February 2020 and 19 March 2020 will not qualify for the scheme. This is not specific to employees on fixed-term contracts, the same would apply to employees on all other contracts.

## Agreeing to furlough employees

The position has become clearer on seeking agreement to furlough employees. SGBs should discuss with their staff and make any changes to the employment contract by agreement. When SGBs are making decisions in relation to the process, including deciding who to offer furlough to, equality and discrimination laws will apply in the usual way.

To be eligible for the grant SGBs must confirm in writing to their employee confirming that they have been furloughed. If this is done in a way that is consistent with employment law, that consent is valid for the purposes of claiming through the scheme. It has also been clarified that a collective agreement reached between an employer and a trade union is also acceptable for the purpose of such a claim. There needs to be a written record, but the employee does not have to provide a written response. A record of this communication must be kept for five years.

## Work out the maximum wage amount SGBs can claim

The maximum wage amount SGBs can claim is £2,500 a month, or £576.92 a week, plus any National Insurance and pension contributions SGBs can claim for. If the length of time an employer is claiming for is not one week or one month, they'll need to use the daily maximum wage amounts to work out the maximum amount they can claim for each employee.

To work out the maximum amount they can claim, SGBs should multiply the daily maximum wage amount by the number of days your employee is furloughed for in their claim.

Month	Daily maximum wage amount
March 2020	£80.65 per day
April 2020	£83.34 per day
May 2020	£80.65 per day

If an employee is furloughed over two calendar months, SGBs need to calculate the maximum amount for each calendar month and add them together. If SGBs are claiming for multiple pay periods in one claim, they can calculate the total maximum using a mixture of:

- the daily maximum wage amount
- the weekly maximum wage amount
- the monthly maximum wage amount

It is important to remember our separate advice on grant-funded and grant-contributed roles, and the interaction of furlough with the same.

## Get in touch

SGBs can access the **sportscotland** legal expert resource helpline by email at [sportscotlandinfo@harpermacleod.co.uk](mailto:sportscotlandinfo@harpermacleod.co.uk) or by calling **0141 227 9333**.