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New Treasury Direction and Guidance



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A further Treasury Direction was issued on 1 October 2020 modifying the Coronavirus Job Retention Scheme (CJRS). This included details of the requirements to be met in respect of claims for the Job Retention Bonus (JRB), payable to employers for retaining previously furloughed employees up to 31 January 2021.

Guidance to support the Direction was issued on 2 October together with a number of worked examples showing how the financial requirements relating to JRB apply. These documents can be found [here](#) and the examples [here](#).

So what do I need to know?

As this is a blog, and I'm under instructions to keep it short, the below are what appear to be the most important points you need to be aware of:

- All claims under the CJRS for furlough payments must be made by 30 November 2020 at the latest.
- The JRB of £1,000 is available in respect of each eligible employee who has been on 'furlough' at some point between the commencement of the CJRS and its closure on 31 October 2020, and who remains employed (and is not under notice) on 31 January 2021.
- As the JRB is paid to the employer as an incentive to 'retain' staff, it belongs to the employer and does not have to be paid to the employee.
- A claim under the JRB scheme must be made between 15 February and 31 March 2021 (details will be provided on how the claims will be made in due course).
- If HMRC are still checking your CJRS claims, you can claim the JRB, but payments may be delayed until the checks have been completed.
- HMRC will not pay the JRB if you made an incorrect CJRS claim, and your employee was not eligible for it.

- The employee must have received a payment from the employer in each month between the end of the CJRS and the end of January 2021. Note, the month periods are aligned with the tax year, November being 6 November to 5 December and so on, with the three month period ending on 5 February 2021.
- The total payments made to the employee over the entire three months must amount to at least £1,560 of 'taxable pay'. The payments made in each month do not have to be equal, the employee simply needs to have received a payment of 'taxable pay' during each month and all of those payments added together need to amount to £1,560 or more.
- 'Taxable pay' excludes what are referred to in the examples as 'net pay arrangements' (the example used is a salary sacrifice pension contribution). It does, however, include elements such as SSP or pay which is not actually 'taxed' because it falls within the personal allowance.

If you have any questions about this topic please contact our expert [employment solicitors](#) by emailing online.enquires@la-law.com or call 01202 786183.