



HM Treasury

1 Horse Guards Road
London
SW1A 2HQ

The Rt Hon Sir George Howarth MP
House of Commons
London
SW1A 0AA

16 November 2020

Dear Sir George,

Thank you for your correspondence dated 4 September on behalf of your constituent, regarding Coronavirus Job Retention Scheme. The Treasury has received unprecedented amounts of correspondence since the start of the coronavirus outbreak in the UK and I am sorry for the delay so far in replying. The Chancellor of the Exchequer has asked me to write to you directly.

In March, the Government announced the unprecedented Coronavirus Job Retention Scheme (CJRS), designed to help firms to keep millions of people in employment.

The CJRS was set to close on 31 October 2020 but, in light of the path of the virus, the CJRS has now been extended until the end of March 2021.

Neither the employer nor the employee needs to have previously claimed, or have been claimed for, under CJRS in order to make a claim under the extended CJRS, if other eligibility criteria are met.

Eligible employees will receive 80 per cent of their usual salary for hours not worked, up to a maximum of £2,500 per month, and businesses will have flexibility to use the scheme for employees for any amount of time and shift pattern, including furloughing them full-time.

There will be no employer contribution to wages for hours not worked. Employers will only be asked to cover National Insurance and Employer pension

contributions for hours not worked. For an average claim, this accounts for just five per cent of total employment costs or £70 per employee per month. The Government will review the policy in January to decide whether economic circumstances are improving enough to ask employers to contribute more.

Full guidance is available on [gov.uk](https://www.gov.uk)

I hope this is helpful. If you have any questions about this reply, please email public.enquiries@hmtreasury.gov.uk quoting reference MC2020/32912.

Yours sincerely,

Kyle Paulsen

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HM Treasury