

## **Covid-19 FAQs – 2 June 2020**

### **COVID JOB RETENTION SCHEME (CJRS)**

The scheme will remain the same in June 2020 but will begin to change as of July 2020. The changes are as follows:

#### **From July 2020:**

- Employers will be able to bring employees back to work for any number of times and for any shift pattern ('Flexible furlough'). For example, an employee could be brought back for two days a week, with the furlough scheme covering the other three.
- To introduce this scheme, the government is closing the old Job Retention Scheme to new entrants on 30 June 2020. Employers wanting to place new employees onto the scheme will need to do so **by 10 June 2020**.
- The government will continue to pay 80% of employee wages, including national insurance and employer pensions contributions in July 2020.

#### **From August 2020:**

- The government will continue to pay 80% of employee wages, but employers will be required to start paying national insurance and employer pensions contributions.

#### **From September 2020:**

- The government will pay 70% of employee wages, with employers required to pay a further 10%.

#### **From October 2020**

- The government will pay 60% of employee wages, with employers required to pay a further 20%.

After October 2020, the **Job Retention scheme will close**.

As a reminder: -

*The Government has stated the calculation would need to be based on your February 2020 figures, so the setting will need to break down the total FEEE income received for all children attending during that monthly period, then you need to calculate the total of Private Fees received from parents during the same period. Once you have the figure, you need to ascertain the percentage of your income relating to FEEE and the percentage for private fees to establish the split.*

*I hope this example helps break down what you need to claim from the HMRC furlough scheme. To ensure all those staff gain up to 80% through the furlough scheme, this may mean that some staff may not now qualify for the furlough scheme as it exceeds the total you can claim, these staff would be expected to be paid by the setting, utilising the FEEE funding*

*"If a provider's average monthly income is 40% from FEEE and 60% from other income, the provider could claim CJRS support for up to 60% of their wages bill.*

*"This would be done by furloughing staff whose usual salary / combined salaries come to no greater than 60% of the provider's total wages bill."*

*This means that, for instance, if a provider in this example had a monthly wage bill of £10,000.00, they would only be able to claim Job Retention Scheme support for up to £6,000.00 worth of wages, meaning the maximum support they could receive from government would be £4,800.00 (80% of £6,000.00).*

*So, you will be able to claim for a proportion of their wages bill as outlined in the example, you will need to enter your figures on the HMRC portal and then HMRC will pay your setting directly, as outlined in their guidance.*

### **SELF-EMPLOYMENT INCOME SUPPORT SCHEME**

Applications for a second, and final, grant for the self-employed will open in August. The grant will be paid out in a single instalment covering three months' worth of average monthly profits at 70%, up to a total of £6,750.

Q. Some of my parents are not following the government guidance on social distancing in their private lives, and as a result I am concerned that this increases the risk to me, my staff and other children in the setting. In this instance, can I refuse to have these children attending?

*Yes, if you have clearly set out your policy to parents and undertaken a risk assessment to open that minimises contact and appropriate social distancing that you need your families to agree to adhere to, it would be appropriate to inform parents that you will be unable to have their children in your setting if they are unable to meet the conditions of your policy. You should always take steps to ensure that parents have read and understood your setting policies and you may wish to have a signed document or email conversation to support this.*

*You may also wish to seek further advice from any of the national sector membership organisations you are a member of.*