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Industry Coronavirus (CICV) Forum

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The Coronavirus Job Retention Scheme

AN UPDATE AND HOW TO APPLY

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THE CORONAVIRUS JOB RETENTION SCHEME

The UK Government has created the temporary Coronavirus Job Retention Scheme (CJRS) to help employers whose operations have been severely affected by coronavirus (COVID-19) retain their employees and protect the UK economy.

All employers are eligible to claim, including those in the Scottish construction industry, as the Government recognises different businesses will face different impacts. The CJRS is available for four months from 1 March 2020 to 30 June 2020.

If an employer cannot maintain their current workforce because operations have been severely affected by coronavirus, they can 'furlough' employees and apply for a grant through the CJRS that covers 80% of their usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions and pension contributions (up to the level of the minimum automatic enrolment employer pension contribution) on that subsidised furlough pay. This funding is not a loan and will not have to be repaid to HMRC unless it based on dishonest or inaccurate information or found to be fraudulent.

In order to access the CJRS grant support, employers must have:

- Created and started a PAYE payroll scheme on or before 19 March 2020
- Enrolled for [PAYEonline](#)
- A UK bank account.

Useful links

HMRC eligibility and operational guidance relating to the CJRS for employers:



<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

Treasury directions to HMRC which will form CJRS legal framework:



<https://bit.ly/CJRS-Treasury-Directions>

Self-employment Income Support Scheme, for self-employed individuals who have lost income and wish to claim a grant:



<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

FURLOUGH

- Furlough is where an employee or worker agrees in writing with their employer that they are not to work temporarily because of coronavirus.
- Employers should discuss the prospect of furlough leave with their workforce before confirming the agreement in writing in order to qualify for grant funding through the CJRS. If someone disagrees with their employer's decision about being selected for furlough or how much they will get paid, they should talk to their employer and try to come to an agreement. If agreement cannot be reached through discussions, employers will need to consider other options such a temporary lay off (if there is an existing contractual provision enabling such action), the continuation of employment with full wage payments, the commencement of consultation to vary contracts of employment with a view to accommodating furlough leave or redundancy.
- The furlough agreement should include details such as the date furlough starts, how much the furloughed worker will be paid, when the furlough will be reviewed and how to keep in contact during furlough.
- Acas have produced a template furlough letter:



<https://www.acas.org.uk/coronavirus/furlough-closing-workplaces>

- Furlough agreements and the employee's confirmation should be retained by the employer for a period of five years.
- Employers do not have to place all of their employees on furlough. When employers are making decisions in relation to the furlough process, including deciding who to offer furlough to, existing employment law, including equality and discrimination laws, will apply in the usual way.
- Employees, workers, office holders, salaried company directors, salaried members of Limited Liability Partnerships (LLPs), limb (b) workers, agency workers (including those employed by umbrella companies) and apprentices can all be furloughed so long as they were on the employer's PAYE payroll on or before 19 March 2020 and were notified to HMRC on a Real Time Information (RTI) submission on or before 19 March 2020.

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- Furloughed employees eligible for CJRS grants can be on any type of employment contract, including full-time, part-time, agency, flexible or zero-hour contracts. If an employee has more than one employer they can be furloughed for each job.
 - It is important to emphasise that workers eligible for CJRS grant funding, cannot undertake work for, or on behalf, of the organisation or any linked or associated organisation when furloughed. This includes emergency callouts and payroll processing.
 - Furloughed workers can undertake training and voluntary work during the furlough period and can even find alternative employment if this is not prohibited in the furlough agreement or the existing contract of employment.
 - To qualify for grant funding through the CJRS, the minimum period of furlough is three consecutive weeks.
 - Workers can be furloughed multiple times, but each separate instance must be for a minimum period of three consecutive weeks. Separate letters advising of subsequent furlough periods should be issued, and separate consents sought. As a result, employers in construction could rotate employees to ensure that, for example, emergency cover is provided, so long as each period of furlough lasts for a minimum of 21 calendar days.
 - Employees can take holidays during furlough. Furloughed workers must get their usual pay in full, for any holiday they take. As a result, employers will be obliged to pay additional amounts over the CJRS grant during designated holidays, though will have the flexibility to restrict when leave can be taken if there is a business need.

HOW TO APPLY FOR THE CJRS

The Government has published step-by-step guidance for employers on how to claim grants from the CJRS.

The process is explained below in as much detail as was known at the time of publishing. Therefore, please ensure that you read the guidance set out by gov.uk before you proceed with your claim:



<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

Further advice is also available in pre-recorded webinars on HMRC's YouTube channel:



www.youtube.com/user/hmrcgovuk

IMPORTANT NOTES TO REMEMBER

HMRC has stated that the new portal has been designed to be simple to use. The information required should be the same details that are currently used in a payroll run.

To help you to get through the process as smoothly as possible, please ensure you have all the information required before you make your claim online. And remember - it is the claimant's (i.e. your) responsibility to ensure that the information provided in the application is accurate.

You can only make one claim during a claim period. You should make your claim shortly before or during a payroll run. You must claim for all employees in each period at one time as you cannot make changes to your claim.

HMRC started accepting claims on 20 April. HMRC have stated that they will make payments six working days following receipt of an application. Therefore, if you wish to receive a payment from the scheme by the end of the month, you will need to submit your claim at least six working days in advance for the money to clear into your bank account.

APPLYING THROUGH AN AUTHORISED AGENT

If you have an agent that has authorisation to act for you on PAYE matters online, they can make a claim for CJRS on your behalf. If an agent is making the claim for you, tell them that the funds should be paid into your bank account.

APPLYING YOURSELF

To make a claim yourself, you must gather the following information:

- The number of employees that have been furloughed
- The dates employees have been furloughed to and from
- The name and National Insurance Number of each furloughed employee
- Your employer PAYE scheme reference number
- Your Corporation Tax Unique Taxpayer Reference, Self-Assessment Unique Taxpayer Reference or Company Registration Number as appropriate
- Your UK bank account details
- Your organisation's registered name
- Your organisation's address.

Please make sure you have this information ready before you access the system.

CALCULATING A CLAIM

In simple terms, you will need to work out the following three separate elements for the claim period:

- 1** The total amount being paid to furloughed employees. You can claim for 80% of your employee's wages, up to a maximum of £2,500 a month each
- 2** The total employer National Insurance contributions
- 3** The total employer pension contributions (up to 3%).

For more information and examples of the different types of contracts of employment including variable pay, please look at the Government's guidance:



<https://www.gov.uk/guidance/work-out-80-of-your-employees-wages-to-claim-through-the-coronavirus-job-retention-scheme>

Please note that employers with more than 100 employees, will need to provide more detail in their submission:

- Claim amount per furloughed employee
- Claim period for each furloughed employee

Larger employers will also need to upload the claim information in one of the following formats: XLS, XLSX, CSV, ODP.



HMRC have provided a claim calculator to allow claims to be checked. You can now access it [here](#). Please do not start a claim until you have gathered all the information required.

SUBMITTING A CLAIM

The CJRS application portal is now live. Employers can submit grant claims for furloughed workers here:



<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>

When you are ready to make a claim, go to **GOV.UK**. You will be taken through a series of steps in the online service.

To access the system on GOV.UK you, or your agent, will need to have:

- A Government Gateway ID and password
- An active PAYE enrolment



<https://www.gov.uk/log-in-register-hmrc-online-services/register>

The application needs to be completed in one session. There is currently no save and return option. Sessions will time out after 30 minutes of inactivity.

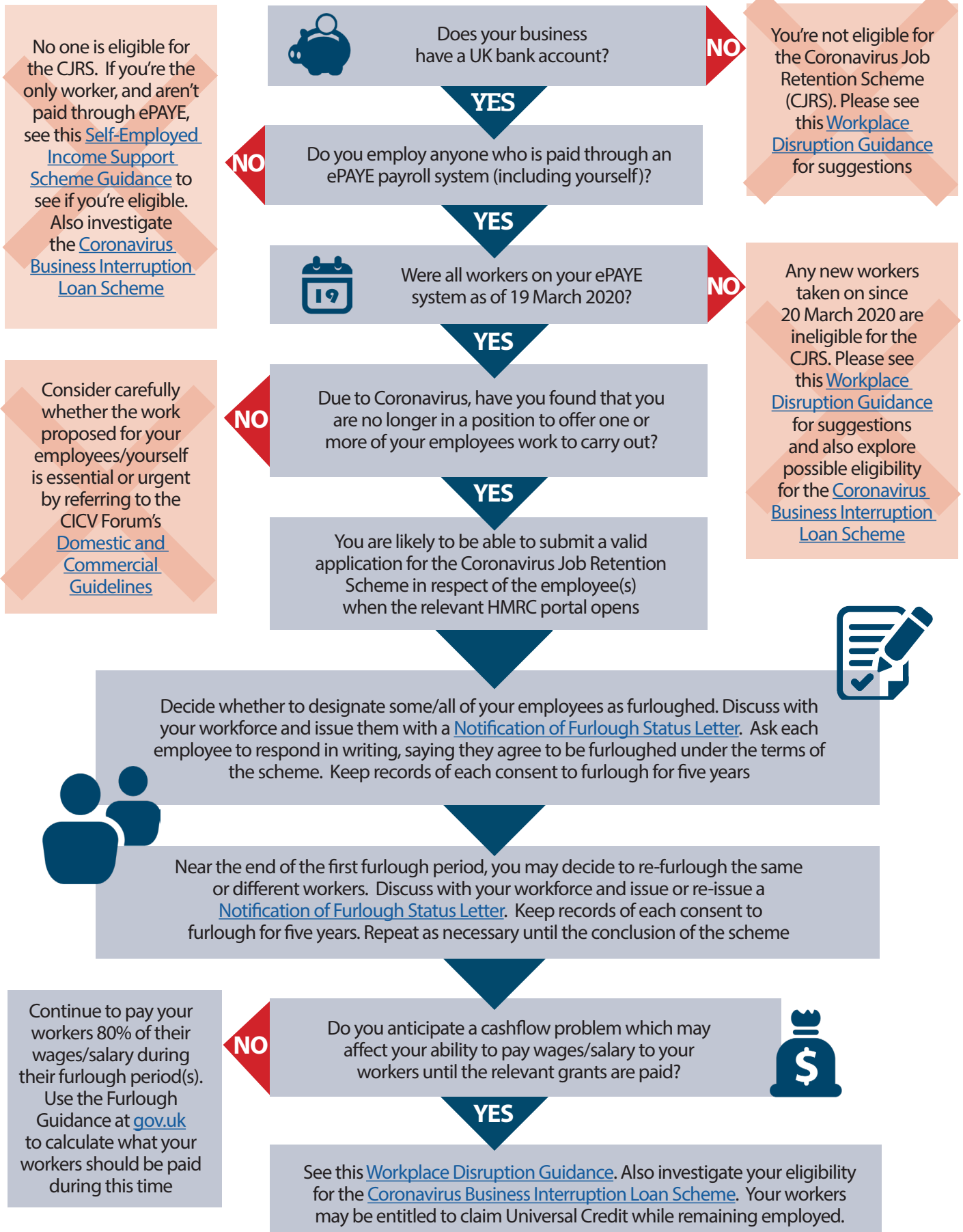
THE DETAIL

- You will need to confirm that you have furloughed your employees.
- You will need to input the information about your organisation which you prepared above.
- After this, you will need to confirm the amount of the claim – split into:
 - The total amount to be paid to furloughed employees
 - The total pension
 - The total National Insurance contributions.
- Finally, you will also need to confirm your employees' details, your UK bank details and your address.

Once you have submitted the claim, you will see a confirmation screen where a claim reference number will be provided. Print the confirmation screen or note down the claim reference number provided – you will not receive an email confirmation.

Always keep in mind that it is for you, or your agent, to check the accuracy of your claim.

FURLOUGH FLOWCHART



Current members of the Construction Industry Coronavirus (CICV) Forum:

- British Constructional Steelwork Association
- Builders Merchants Federation
- Building Engineering Services Association Scotland
- Civil Engineering Contractors Association Scotland
- Electrical Distributors' Association
- Federation of Master Builders
- Lift and Escalator Industry Association
- National Federation of Roofing Contractors
- Royal Incorporation of Architects in Scotland
- Royal Institution of Chartered Surveyors
- The Scaffolding Association
- The Scottish Building Federation
- The Scottish Construction Group
- SNIPEF
- SELECT
- The Stone Federation (GB)

Further information



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