

# Somerset Chamber of Commerce guide to:

## The COVID-19 Job Retention Scheme\*

\*This is a guide only to make the headline details accessible.  
Please contact your accountant for professional advice.

# The COVID-19 Job Retention Scheme

## What is it?

- A Government grant to help employers retain and financially support workers
- All UK businesses are eligible, including charitable and not-for profit
- Applies to furloughed workers – those who are retained on the payroll but are temporarily not working during the Coronavirus outbreak
- It will reimburse employers up to 80% of wage costs up to £2,500 per employee furloughed per month
- This will be backdated to March 1, 2020– clarity is needed on whether terminated employees can be re-hired to qualify for the scheme

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## How do you access it?

- The scheme will be administered by HMRC – we need clarity on timescales but payments won't be made immediately at this stage
- The portal for applications isn't up and running yet, but we'll let you know via our support pages as soon as it goes live:  
<https://www.somerset-chamber.co.uk/business-support/covid-19/>
- You'll need to designate which employees are furloughed and submit information via an online portal to HMRC
- If you need short term cash flow support you can look at the [Business Interruption Loan Scheme](#) for support in the meantime – this has gone live as of March 23, 2020

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## What should you be doing now?

- Speak to your accountant to discuss short term cash flow – do you need to apply for the [Business Interruption Loan Scheme](#) ?
- Identify which workers, if any, can be furloughed and work out the salary costs
- The scheme will cover 80%, up to £2,500 a month per employee and the suggestion is that the employer can choose to top up the 20%.
- The guidance indicates that pay should not be delayed to workers and that the Coronavirus Job Retention Scheme (CJRS) will reimburse when it is up and running

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## What do we need to clarify?

There are lots of questions to clarify on this scheme over the next few days and weeks but the main questions are:

- How long will businesses need to wait for the grant?
- Will the scheme cover those who's contracts have already been terminated?
- Will it cover those on zero hour or irregular earnings?

The Government is constantly updating its official business support [COVID-19 pages](#) webpages. This information is also regularly updated on Somerset Chamber's [COVID-19 hub](#) business support hub.