



## O'HARAS

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Please see our understanding of how the **Job Retention Scheme** will work in practice, resulting from the Parliamentary Select Committee last week.

I hope you find this of use. There will no doubt be updates as time goes on:

- The Scheme is due to open on 20 April 2020 and the **first payments will be made by 30 April 2020**.
- Once employers have submitted their claims into the portal, HMRC is aiming to get money into the accounts of businesses within 4 – 6 working days.
- Employers can claim under the scheme per pay period (rather than each month), which will help those businesses who pay their staff weekly.
- HMRC anticipates that most employers will submit their claims in the first couple of days. The portal will be open 24 hours a day, 7 days a week and will operate a queue. HMRC is confident that the system can cope – it can handle 450,000 claims and there are 5,500 helpline operators.
- HMRC will seek to recover money paid out to employers where there was no entitlement to it. Claims will be assessed for risk in the background and HMRC will stop high risk payments before they have been checked. Employers who attempt to defraud HMRC will be subject to criminal penalties.
- Employers will calculate the claimed amount, not HMRC and they confirmed the calculation should be based on amounts employers are obliged to pay (not discretionary amounts).
- Although it has been confirmed that the scheme would not be extended to part time or short term working (JRS should be used to prevent redundancy not prop up salaries for those on reduced hours) employers can rotate employees on furlough, subject to a three-week minimum furlough period for each employee.
- You can claim for employees that were employed as of 19 March 2020 and were on your PAYE payroll on or before that date; this means that you will have made an RTI submission notifying HMRC of payment of that employee on or before 19 March 2020
- Employees that were employed as of 28 February 2020 and on payroll (i.e. notified to HMRC on an RTI submission on or before 28 February) and were made redundant or stopped working for you after that, and prior to 19 March 2020, can also qualify for the scheme if you re-employ them and put them on furlough.

**We will be helping and making claims for our current payroll clients but if you require any assistance with making your claims please get in touch with your usual contact at O'Haras.**

The Mark of Quality

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