



New Job Support Scheme

25 September 2020

The Government introduced the New Job Support Scheme (**JSS**) yesterday to support viable jobs in businesses which are facing lower demand over the winter months due to COVID-19 after the closure of the Coronavirus Job Retention Scheme (**CJRS**) on 31 October 2020. The JSS will open on 1 November 2020 and run for 6 months until April 2021.

The key points to note are:-

1. The Employer will continue to pay employees for time worked.
2. The cost of hours not worked will be split between the employer, the Government (through wage support) and the employee (through a wage reduction) and the employee will retain their job.
3. Employees must be on the PAYE payroll on or before 23 September 2020 to be eligible. This means a Real Time Information submission notifying payment to that employee to HMRC must have been on or before 23 September 2020.
4. Neither the employer nor the employee needs to have previously used the CJRS.
5. For the first 3 months, the JSS will only apply in respect of employees who are working at least 33% of their usual hours.
6. After 3 months, the Government will consider whether to increase the minimum hours threshold.
7. The Government will pay 1/3 of hours not worked up to a cap of £697.92 per month with the employer also contributing 1/3. This will ensure employees earn a minimum of 77% of their normal salary, where the Government contribution has not been capped. The current expectation is that employers cannot top up their employees' wages above the contribution to hours not worked at their own expense.

8. Employees will be able to cycle on and off the scheme and do not have to retain the same working pattern each month, but each short-time working arrangement must cover a minimum period of 7 days.
9. Employees must agree the new short-time working arrangements with their employees, make any changes to the employment contract by agreement, and notify the employee in writing.
10. Importantly and unlike the current CJRS, employers will not be able to give employees notice of redundancy while claiming under the new JSS.
11. Employers using the JSS will also be able to claim the Job Retention Bonus, if they meet the eligibility criteria.
12. Large businesses will have to meet a financial assessment test. So the scheme is only available to large businesses whose turnover is lower now than before experiencing difficulties as a result of COVID-19. This test will not apply to SMEs.

A link to the Government's Factsheet on the JSS can be found [here](#).

Further guidance is to be published by the Government shortly.

This article does not constitute legal advice and specific advice should be sought in respect of particular cases.