

Chancellor announces Job Support Scheme Expansion from November

The Chancellor of the Exchequer, Rishi Sunak announced this afternoon an expansion to the Job Support Scheme.

The government's Job Support Scheme (JSS) will be expanded to protect jobs and support businesses which are required to close their doors as a result of coronavirus restrictions.

Under the expansion, firms whose premises are legally required to shut for some period over winter as part of local or national restrictions will receive grants to pay the wages of staff who cannot work – protecting jobs and enabling businesses to reopen quickly once restrictions are lifted.

The government will support eligible businesses by paying two thirds of each employees' salary (or 67%), up to a maximum of £2,100 a month.

Chancellor of the Exchequer, Rishi Sunak, said: "Throughout the crisis the driving force of our economic policy has not changed.

"I have always said that we will do whatever is necessary to protect jobs and livelihoods as the situation evolves.

"The expansion of the Job Support Scheme will provide a safety net for businesses across the UK who are required to temporarily close their doors, giving them the right support

at the right time.”

Under the scheme, employers will not be required to contribute towards wages and only asked to cover NICs and pension contributions, a very small proportion of overall employment costs. It is estimated that around half of potential claims are likely not to incur employer NICs or auto-enrolment pension contributions and so face no employer contribution.

Businesses will only be eligible to claim the grant while they are subject to restrictions and employees must be off work for a minimum of seven consecutive days.

The scheme will begin on 1 November and will be available for six months, with a review point in January. In line with the rest of the JSS, payments to businesses will be made in arrears, via a HMRC claims service that will be available from early December. Employees of firms that have been legally closed in the period before 1 November are eligible for the CJRS.

The scheme is UK wide and the UK Government will work with the devolved administrations to ensure the scheme operates effectively across all four nations.

The details are here:



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FSB welcomes extension to jobs help <https://t.co/05MG3Y2g9u>
[pic.twitter.com/5atn02vzeS](https://t.co/05MG3Y2g9u)

– *FSB Scotland (@FSB_Scotland)* [October 9, 2020](#)

Scottish Greens Co-Leader Patrick Harvie MSP said: “The Chancellor’s announcement today will offer a small glimmer of hope for people who are at risk of being affected by new restrictions over the coming months, but it’s unclear what help is on offer right now.

“Both governments know they need to take action in the coming weeks, before the Job Support Scheme starts next month. The UK may think it’s sensible to let another weekend go by before acting, but either way support for incomes is needed at the same time as these measures, not weeks later.

“The extra business grants will help, and must also be made available straight away. It will be for the Scottish Government to set out how this money will be made available, and they must do that with more clarity than they showed in the recent muddle over licenses cafes.”

SCOTTISH HOSPITALITY GROUP

Stephen Montgomery, spokesperson for the Scottish Hospitality Group, said: “While the Chancellor’s announcement on job support is certainly welcome, we need to see how the budget will be split to understand whether it will be too little too late for many Scottish businesses.

“The £40 million allocated by the Scottish Government doesn’t even touch the sides. Stretching across 20,000 licensed Scottish premises it amounts to just £1000 per week per unit –

leaving an average shortfall of £6,000 per premises. It is not viable and compared to Liverpool that is paying four times this level of support, it demonstrates the Government's lack of knowledge and recognition of our input to the country's economy.

"In addition, the Job Support Scheme doesn't kick-in until next month which will mean that 500 staff across our businesses alone won't be covered by furlough support over the next two weeks. If the lock-down extends indefinitely then we are faced with making very difficult decisions over the coming weeks. It's young Scots who will be hardest hit by these restrictions with more than 25% of our members' 6000 staff are under 25 and it is this generation that is likely to pay the heaviest price for this latest lockdown.

"The next two weeks will be critical in identifying the role that bars and restaurants play in the transmission of the virus. At that point, hopefully the Government will stop penalising our industry and step up and work with our sector to deliver a result that both combats coronavirus and safeguards an industry worth £10.6 billion to Scotland annually. They need to recognise that we offer a safe and controlled environment and should be seen as a vital part of the solution, not the problem."