



HOUSE OF COMMONS

LONDON SW1A 0AA

14<sup>th</sup> October 2020

*New Constituent,*

**RE: CONTINUED SUPPORT FOR BUSINESSES & EMPLOYEES  
THROUGHOUT THE WINTER PERIOD.**

Thank you for your recent correspondence in respect of your concerns regarding extending support to businesses and employees beyond the Job Retention Scheme (JRS); your comments upon which I have read with great interest.

I appreciate that this is a particularly challenging and uncertain time for many as a result of the Coronavirus outbreak and its damaging impact on businesses and jobs across the country.

Further to the end of the Job Retention Scheme (JRS), I welcome the introduction of the Job Support Scheme (JSS) from the 1st November 2020, which will protect jobs over the coming winter months. The JSS targets support on businesses who can support employees doing some work during a period of depressed demand.

The scheme will allow employees to work a minimum of 33 percent of their usual hours, and for every hour not worked the employer and the Government will each pay one third of an employee's usual pay, with the Government contribution capped at £697.92 per month. With employees receiving at least 77 percent of their pay, the introduction of the scheme will offer vital protection to viable jobs over the winter period.

The scheme is rightly open to all small and medium-sized enterprises (SMEs), and any large business will be required to demonstrate that they have been adversely affected by Coronavirus to be eligible. I have spoken with my ministerial colleagues at the Treasury who expect that large employers will not be making capital distributions such as dividends while using the scheme.

It is right that businesses are able to claim the Job Retention Bonus, as well as the JSS, so long as they meet the eligibility criteria. The £9 billion Jobs Retention Bonus Scheme entails one-off payments of £1,000 to businesses for every employee who was furloughed previously and who is successfully kept on continuously until January.



I further welcomed the Chancellor's announcement that the JSS will be expanded to provide further support to individuals and businesses impacted by localised restrictions. This expanded provision will be open to businesses whose premises have been legally required to close as a direct result of Coronavirus restrictions set by one or more of the four governments of the UK. Guidelines are due to be published which will set out more details, including how normal pay will be calculated. We know so far that employees will receive two-thirds of their wages for time not worked, and that the grant per eligible employee available from the UK Government is two-thirds of their normal pay up to a limit of £2,100 per month. The payment will be a grant to an employer calculated using the number of eligible employees who have been instructed to, and cease work, at the employer's relevant premises. My colleagues at the Treasury have estimated that around half of potential claims under the expansion are likely not to incur employer NICs or auto-enrolment pension contributions and thereby face no employer contribution. These new elements of the JSS will be initially available to employers for six months from the 1st November 2020, and will be reviewed in January.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,*

**TOM PURSGLOVE MP  
MEMBER OF PARLIAMENT  
CORBY & EAST NORTHAMPTONSHIRE**