

have employed themselves through their companies could furlough and apply for the government's job retention scheme for employees.

- **Timing** - The grant will not be dispersed until June. Feedback from nearly all sectors has indicated concern about the ability of individuals to cover their costs in the next couple of months, before the grant is disbursed. This is something we have raised with HMT, however there are no clear options for addressing this issue.

2. Guidance on the Job Retention Scheme

11. Yesterday, HMRC published guidance on the Coronavirus Job Retention Scheme for employed workers, building on the Chancellor's announcement last week. The new guidance includes for the first time details on:

- **Eligibility for the scheme:**
 - i. any UK employer with a UK bank account can claim on behalf of an employee who was on their PAYE payroll on 28 February;
 - ii. public sector employees will only be eligible in a minority of circumstances;
 - iii. employees who were made redundant in response to Covid-19 can be rehired and furloughed by their employer; and
 - iv. workers can be furloughed by more than one employer (the £2,500 cap applies to each job);
- **The calculation of monthly earnings for workers without a regular salary,** including temporary/zero hours workers (80% of their monthly rate); and
- **Restrictions on activities that can be carried out by furloughed workers** who are prohibited from:
 - i. making money for their employer; or
 - ii. providing services to their employer.

12. DCMS is yet to receive direct representations from stakeholders in response to this additional detail. However, there are the following specific issues that we know remain unresolved:

- Provisions for zero hours workers who are not on PAYE payroll; and
- Arrangements for employers which are not able to cease trading or close down their services, but which are operating with reduced revenues and cash flow. Key examples are:
 - i. tourism companies which are reducing the hours of their workers (but not furloughing them completely) and will therefore not be eligible.
 - ii. charities which are delivering the same (or additional) level of services as they would be in normal circumstances, but with significantly reduced income from individual giving and grants.

Clearance