

Covid-19 - Latest Update: 12 May 2020

“Furlough” Scheme Extended to 31 October

The Chancellor of the Exchequer announced today in the House of Commons that that Coronavirus Job Retention Scheme will be extended until 31 October 2020, but with some important changes.

Full details of changes to the scheme will be made available by the Government by the end of this month, but in the meantime we do know the following:

- Government will continue to meet the costs of 80% salary / £2,500 per furloughed employee per month until 31 July 2020.
- After that, and until 31 October, there will be a “sharing of costs” between Government and employer, although the furloughed employee will continue to receive the same total monthly amount. There are no further details on the cost sharing aspect.
- Flexibility is to be added to allow furloughed employees to work part time. It is not yet clear from when this will apply.

We will let you know as soon as further information becomes available or additional measures are announced. In the meantime, please speak to your usual Verfides contact for further assistance, or email or call the Tax Team: tax_team@verfides.com; call +44 20 7930 7111.

London, 12 May 2020.