

IRIS PAYE-Master

COVID-19 Job Support Scheme
Payroll Processing Changes

1 November 2020

Contents

Coronavirus Job Retention Scheme	3
Job Support Scheme	3
For businesses that remain open (JSSO).....	3
For businesses that are required to close (JSSC)	3
Job Retention Bonus	4
What you need to do now.....	4
Preparing for Job Support Scheme Claims.....	5
Create new Pay Elements	5
Job Support Scheme Closed	5
Job Support Scheme Open	6
Paying Employees	8
Job Support Scheme Closed	8
Job support Scheme Open.....	9
Software Amendments.....	10

Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme (CJRS) or Furlough Scheme ends on the 31st October 2020. The scheme will be replaced by the Job Support Scheme from 1st November. There will be different rules for businesses that remain open and businesses that are required to close due to Covid restrictions.

Job Support Scheme

For businesses that remain open (JSSO)

The Government recently announced the Job Support Scheme (JSS) to protect jobs where businesses remain open but are facing lower demand over the winter months, due to COVID-19. The guidance announced earlier changed on 22 October.

Under JSS, if your employees are working fewer than normal hours due to decreased demand, the Government will contribute towards their wages. You will continue to pay the wages for the hours your staff work. The minimum hours required for employees to work has dropped from 33% to 20% and the employer contribution for non-worked hours has dropped from 1/3 to 5%.

The Government will pay 61.67% of hours not worked up to a cap of £1,541.75 per month, with the employer contributing 5% of non-worked hours up to a cap of £125 per month. These caps are based on a monthly reference salary of £3,125. This will ensure employees earn a minimum of at least 73% of their normal wages, where their usual wages do not exceed the reference salary. The employee will have to work a minimum of 20% of their normal hours. For the Job Support Scheme factsheet click [here](#).

For businesses that are required to close (JSSC)

On the 9th of October, the Government announced an expansion of JSS, to provide temporary support to businesses whose premises have been legally required to close as a direct result of coronavirus restrictions.

Under this expansion, affected businesses will receive grants towards the wages of employees who have been instructed to and cease work. This will cover businesses that, as a result of restrictions set by one or more of the four Governments of the UK, are legally required to close their premises, or to provide delivery and collection services only from their premises.

The Government will pay two thirds of employees' usual wages, up to a maximum of £2,083.33 per month. You will not be required to contribute towards wages but do need to cover employer National Insurance and pension contributions.

You can apply for JSS including the new expansion even if you have not previously used the Coronavirus Job Retention Scheme (CRJS). JSS is available from the 1st of November for six

months, with payment of grants in arrears from early December. The scheme will be reviewed in January.

For more information on the Job Support Scheme expanded to firms required to close, due to COVID-19 restrictions, click [here](#). For the Job Support Scheme Expansion factsheet click [here](#).

For more information with detailed examples click [here](#).

Further information will be published by HMRC in the coming weeks.

Job Retention Bonus

For every eligible employee you furloughed and claimed for through the Coronavirus Job Retention Scheme (CJRS) and kept continuously employed until at least the 31st January 2021, you will be able to claim a one-off payment of £1,000. You do not have to pay this money to your employee.

To be eligible, employees must earn at least £1,560 between the 6th November 2020 and 5th February 2021 and have received earnings in the November, December, and January tax months. Employees must also not be serving a contractual or statutory notice period for you on 31st January 2021.

Once you have submitted PAYE information for the period up to the 5th February 2021, you will be able to claim the bonus from the 15th February until the 31st March. HMRC will let you know how you can make a claim when further guidance is published by the end of January.

You can still claim the Job Retention Bonus if you make a claim for the same employees through the Job Support Scheme, as long as you meet the eligibility criteria for both.

Further information and examples can be found [here](#).

What you need to do now

If you intend to claim the Job Retention Bonus, you must:

- keep your PAYE submissions up-to-date and on time, with Real Time Information (RTI) reporting for all employees, including reporting the leaving date for any employees that stop working for you in the month they leave or the next Full Payment Submission
- use the irregular payment pattern indicator in RTI for any employees not paid regularly
- provide any employee data for past CJRS claims that HMRC has requested
- make sure all your CJRS claims have been accurately submitted and you have told HMRC about any changes needed (for example if you have received too much or too little)

Preparing for Job Support Scheme Claims

To help you prepare your JSS claim accurately, we anticipate that it will be important for you to identify the pay element(s) used to make Job Support Scheme payments.

Currently we have limited guidance from HMRC to explain the claim calculation process, and no details regarding the information that will be required to make a JSS claim. We would therefore advise you to create separate pay elements/hourly rates for JSSO and/or JSSC payments so that future software changes will be able to identify the payments.

Create new Pay Elements

Job Support Scheme Closed

For employees being paid using the JSS Expansion, we recommend you create a new addition with a name that is easily identifiable e.g. **JSS Bus Closed** or choose a description that you think better suits your business needs.

To do this:

1. From the **Company** menu, select **Additions/Deductions**
2. Click the next available 'unused' row in the grid

Code	Pay Description	Type	Tax	NI	Pen	QE	Tmn	STes	Multi	Fur
1	Basic Pay	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
2	SSP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
3	SMP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
4	Holiday Pay	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
5	SPBP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
6	ShPP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
7	SPP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
8	SAP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
9	EE Pen Refund	Add	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
10	ER Pen Refund	Add	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
11	JSS Bus Closed	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
12	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
13	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
14	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
15	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>

Buttons: Help, [What are Pen and QE?](#), Save, Undo, Close

3. Enter the **Pay Description**, e.g. JSS Bus Closed
4. As the payment is subject to tax and NI, tick the **Tax** and **NI** columns
5. Also tick the **Pen** and **QE** columns in respect of Pensionable and Qualifying Earnings

6. Click **Save**
7. Once saved, you can use the new payment in **Pay Variations** to pay your JSSC payments. To process this as a one-off payment, enter the value of the payment in the **Temp Amount** field. To retain the value for future periods, enter the value of the payment into the **Std Amount** field
8. If your employees are normally paid using hours and rates, you could create the addition as described above but set the multiplier as 0.667. In Pay Variations you can then enter a number of hours for this addition and the system will calculate the number of hours at 0.667 of the usual hourly rate, which is closely the equivalent to 2 thirds of the usual rate.

Things to consider

- You will have to alter the normal payment (e.g. salary) each time you process payroll. Alternatively, you could temporarily set the salary to zero in the employee's record

Job Support Scheme Open

For JSSO paid employees, we recommend you create two new pay rates with names that are easily identifiable e.g. **JSS Worked** and **JSS Not Worked** or choose descriptions that you think better fit your business needs.

To do this:

1. Ensure that the correct hourly rate is set in **Employee Details – Pay Rates**

Employee No. 1 [Employee List](#) [Auto Absence Calculation](#)

Personal | General | **Pay Rates** | Pay Method | Tax Details | N.I. Details | Sundry

Pay Frequency: ☒ Weekly, ☐ 2-Weekly, ☐ 4-Weekly, ☐ Monthly

Rate Indicator: ☒ Hourly, ☐ Weekly, ☐ Annual

Values: HOURLY Rate 8.000, Standard Hours 0.00, BASIC PAY 0.00

Notional Payment: Notional Pay Amount 0.00

2. Then, from the **Company** menu, choose **Additions/Deductions**
3. Select the next available 'unused' row in the grid

Company Details: General Information | Online Services | Bank Details | **Additions/Deductions** | Departments | Sundry

Code	Pay Description	Type	Tax	NI	Pen	QE	Tmn	STes	Multi	Fur
1	Basic Pay	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
2	SSP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
3	SMP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
4	Holiday Pay	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
5	SPBP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
6	ShPP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
7	SPP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
8	SAP	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
9	EE Pen Refund	Add	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
10	ER Pen Refund	Add	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
11	JSS Reduced Hrs	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
12	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
13	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
14	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>
15	Unused	Add	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1	<input type="checkbox"/>

Help [What are Pen and QE?](#) Save Undo Close

4. In the **Pay Description** field enter JSS Worked (or the name you have given the payment for JSS Hours Worked)
5. As the payment is subject to tax and NI, tick the **Tax** and **NI** columns
6. Also tick the **Pen** and **QE** columns in respect of Pensionable and Qualifying Earnings
7. Leave the **Multiplier** column set as '1'
8. In the next **Unused** line repeat the process above for JSS Not Worked (or the name you have given the payment for JSS Hours Not Worked)

- In the **Multiplier** column change the value from 1 to 0.667. This will mean that the hours you enter for JSS Not Worked will be calculated at 2/3 of the employees' usual rate.

- Click **Save**

These two new payments are now available to select in **Pay Variations**. To process them as a one-off payment, enter the number of hours in the **Temp Amount** field and tick the **Hours** box. To retain the values for future pay periods, enter the number of hours into the **Std Amount** field, again ticking the **Hours** box.

The screenshot shows the 'Pay Variations' window for 'Mr Alan Other' with a weekly NI tax rate of 1250L/Wk1. The 'Pay Table' tab is active, displaying a table with columns: Pay Code, Pay Description, Pay Type, Std Amount, Hours, Temp Amount, Hours, Mult O'Ride, and Hold. Two rows are visible: '1 Basic Pay Add 0.00' and '11 JSS Reduced Hrs Add 30.00'. The 'Hours' column for the second row has a checkmark. A 'Week 1 Basis' summary box is overlaid on the table, showing: Gross Pay 240.00, - Tax 0.00, - NI 6.84, - Other Deds 0.00, and Net Pay 233.16. A tip box at the bottom of the summary states: 'TIP: This method of calculation should be used only where you want to see the result immediately.' Buttons for 'Delete Line', 'Zap', 'Help', and 'Close' are also visible.

Things to consider

- You may need to manually alter the employee's Basic Pay value each pay period, alternatively you could temporarily amend the pay/hours in the employee's record
- We know that the number of hours worked, and the number of hours not worked will be part of the JSS calculation for businesses that are open. We do not know if they will be part of the claim process. We have not received any guidance from HMRC regarding what data will be required during the claim process. They have advised us that software developer guidance will be issued shortly
- The method we have recommended to calculate the JSS Hours Not Worked value will not be the exact equivalent of 2/3 of the employee's usually hourly rate. 2/3 expressed as a decimal = 0.6666667, whereas PAYE-Master only allows a multiplier to be entered to 3 decimal places, i.e. 0.667.

Paying Employees

Job Support Scheme Closed

- Pay employees two thirds of their usual pay to a maximum of £2083.33 per month or pro-rata value for a part month. Maximum payment is two thirds of usual earnings up to maximum of £3125

2. The software will add the full amount to your claim e.g. if the payment to the employee is £2083.33, the JSS claim generated by the software will be £2083.33
3. Note: Any JSSC payment greater than £2083.33 per month will be ignored e.g. if the JSSC payment to the employee is £3125.00, the JSS claim generated by the software will be £2083.33. Thresholds for part pay periods will use the pro rata value

Job support Scheme Open

1. Pay the employees for the hours they work while on JSS e.g. **JSS Worked**
2. Pay the employee two thirds of what they would have worked while on JSS e.g. **JSS Not Worked**. This could be achieved by using two thirds the usual hourly rate, i.e. when creating the **Addition** for JSS Hours Not Worked set the Multiplier to 0.667.
3. The software will calculate 61.67% of the pay for JSS Hours Not Worked and add it to your claim e.g. if the payment to the employee for JSS Hours Not Worked is £1666.75, the claim generated by the software will be $1666.75 / 66.67 * 61.67 = £1541.75$
4. Note: Any JSSO payment greater than £1666.75 per month for hours the employee did not work will be ignored e.g. if the JSSO payment to the employee for JSS Hours Not Worked is £3125.00, the JSS claim generated by the software will be $1666.75 / 66.67 * 61.67 = £1541.75$. Thresholds for part pay periods will use the pro rata value

Software Amendments

1. We will add a new button – **Furlough/JSS** – to **Employee Details**. This will open a new screen where you can view and enter existing Furlough Dates and enter new sets of dates for JSS Open and JSS Closed

Note: Employees could qualify for both JSS Open and JSS Closed in a single pay period

2. We will add a new button – **Configure Furlough/JSS Pay** – to **Company Details – Sundry** tab. This will open a new screen where you will be able to select which existing Additions/Deductions are for Furlough, JSS Open and JSS Closed payments.
3. We will add a new function to allow you to export your JSS employees to a calculation spreadsheet. This may be from a new JSS tab within the existing Furlough screen. All employees identified with JSSO or JSSC dates in the selected range will be exported to a JSS spreadsheet where you will be able to calculate your claim.

Note: We do not know if JSSO and JSSC will be a single claim or separate. We are awaiting more details from HMRC.

Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600 Fax: 0844 366 7828 Email: helpdesk@ir-efile.gov.uk	Tel: 0300 200 3200 Tel: 0300 200 3211 (new business)

Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls	For IRIS Payroll Professional
Tel: 0344 815 5656 Email: sales@iris.co.uk	Tel: 0344 815 5676 Email: earniesales@iris.co.uk	Tel: 0345 057 3708 Email: payrollsales@iris.co.uk

Contact Support

Your Product	Phone	E-mail
IRIS PAYE-Master	0344 815 5661	payroll@iris.co.uk
IRIS Payroll Business	0344 815 5661	ipsupport@iris.co.uk
IRIS Bureau Payroll	0344 815 5661	ipsupport@iris.co.uk
IRIS GP Payroll	0344 815 5681	gpsupport@iris.co.uk
IRIS GP Accounts	0344 815 5681	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0344 815 5671	earniesupport@iris.co.uk
IRIS Payroll Professional (formerly Star)	01273 715300	payroll-support@iris.co.uk