

## The chancellor announced yesterday that the Coronavirus Job Retention Scheme (CJRS) is being extended by a month, until the end of April 2021.

Importantly, although the government was due to review the scheme in January to assess whether employers ought to be required to contribute towards the cost (as was the case between August and October, which is only a few months gone but already feels like a lifetime ago), Mr Sunak has also confirmed that the government will continue to contribute at the current rate of 80% of wages throughout the remainder of that period.

Having been criticised heavily throughout the pandemic for failing to give businesses adequate advance notice of key furlough support developments, the chancellor is keen to emphasise that the government's intention in bringing forward this announcement is to allow businesses and employees to plan into the new year with "certainty". We know this because it says so – no less than **seven** times in the brief gov.uk press release. It is somewhat refreshing (though with the caveat below) to be writing this alert in good time before the scheme was anticipated to change, rather than the announcement being left until the 11th hour. Although, of course, for any employer planning to make large-scale redundancies and aiming to complete the minimum 45-day collective consultation period before the anticipated requirement to start contributing to the scheme at the end of January, this announcement was left until not the 11th hour, but basically the 13th, as that consultation period would strictly have needed to start yesterday.

In a similar vein, the government is also closely linking the extension of the scheme to the announcement that there will be a Budget on 3 March. The press release suggests that "extending the CJRS until the end of April gives businesses certainty **well ahead** of the 45-day redundancy notice period, with [the] Budget setting out the next phase of support more than 45 days before the new end date of the scheme" (our emphasis). This is perhaps a little optimistic of the government. In reality, this date will give businesses little more than a few days' grace (3 March to 16 March, just eight working days) to plan redundancies and still be in time to carry out the minimum 45-day collective consultation period before the CJRS runs out on 30 April.

Anyone who has carried out large-scale redundancies will know that the planning of such programmes normally takes more than a few days. These are **not** normal times, but the inescapable message to businesses is still that if you think you may be into collective redundancy territory when the CJRS expires, you should start the spadework now. Bear in mind that there is nothing to prevent an employer from doing its HR1s and starting such a process with staff representatives or the unions well before that T-minus-45 last minute, so long as it is then willing to modify, or even abandon, its proposals in the light of whatever the Budget then turns out to contain.

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