



Furlough Exchequer Extended to 30 April 2021 @ 80%

The Chancellor has announced today that the Furlough scheme is to be extended to 30 April 2021 and will be maintained at 80% for the whole of the time.

- Furlough extended to 30 April 2021
- Previously potential reduction in January 2021 now shelved and scheme will be kept at 80% until the end

The furlough scheme has been extended until the end of April 2021 with the government continuing to contribute 80% towards wages – giving businesses and employees across the UK certainty into the New Year.

These changes come ahead of the Budget, which the Chancellor has confirmed will take place on 3 March 2021.

The government will continue to pay 80% of the salary of employees for hours not worked until the end of April. Employers will only be required to pay wages, National Insurance Contributions (NICs) and pensions for hours worked; and NICs and pensions for hours not worked.

The eligibility criteria for the UK-wide scheme will remain unchanged and these changes will continue to apply to all areas of the UK.

Extending the scheme until the end of April means businesses across the country will have certainty about what support will be available to them.

In a move to ensure firms can access the support they need through continuing economic disruption, Rishi Sunak also confirmed he would be extending the government-guaranteed Covid-19 business loan schemes until the end of March.

Businesses will also be given until the end of March to access the Bounce Back Loan Scheme, Coronavirus Business Interruption Loan Scheme, and the Coronavirus Large Business Interruption Loan Scheme. These had been due to close at the end of January.

The government has already announced that more support will be available beyond March, through a successor loan scheme. More details of the scheme will be announced in due course, with the government providing a further update on wider Covid-19 economic support at the Budget on 3 March.