



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

5 November 2020

TO: ALL MPs

Dear Colleague,

### NATIONAL RESTRICTIONS: FINANCIAL SUPPORT FOR JOBS AND BUSINESSES

On Monday, the Prime Minister set out the action we need to take between now and the start of December to control the spread of coronavirus. We confirmed that, in addition to the £200 billion of support committed since March, we would provide significant extra support to protect jobs and livelihoods in every region and nation of the country. Today, we are going even further to ensure that businesses and employees have the certainty and support they need to get back on their feet.

**Firstly**, we are extending the Coronavirus Job Retention Scheme not just by one month – but until the end of March 2021, with 80 per cent of wages for hours not worked covered by the government and the employer will only have to cover National Insurance and Employer pension contributions. We will review the policy in January to decide whether economic circumstances are improving enough to ask employers to contribute more. Over the past eight months, 9.6 million jobs have been protected through the CJRS which would otherwise have been at risk and 1.2 million firms have benefitted from this support. What we are announcing today should provide additional certainty for jobs and livelihoods in every part of our country.

**Secondly**, as the CJRS is being extended until the end of March, the policy intention of the Job Retention Bonus falls away and will therefore not be paid in February; we will instead redeploy a retention incentive at the appropriate time.

And **thirdly**, the Government is also announcing that we are increasing government support to the self-employed to an overall level of 80 per cent of trading profits for the third Self-Employment Income Support Scheme grant, covering November to January. This provides broadly equivalent support to the self-employed as we are providing to employees through the government contribution in the CJRS. It is calculated based on 80 per cent of 3 months' average trading profits, paid out in a single instalment and capped at £7,500. We have already confirmed that there will be a fourth SEISS grant to cover February to April; further details will be set out in due course.

On top of these policies which will apply across the UK, we also announced today that the upfront guarantee of funding for the devolved administrations is increasing once again from £14 billion to £16 billion. This uplift will continue to support people, business and individuals in Scotland, Wales and Northern Ireland, and show our unwavering support for all parts of the Union.

These changes build on the comprehensive and generous £200 billion package of support which we have already committed to tackling coronavirus – including loans, grants, tax cuts and deferrals, mortgage holidays and increases to welfare. More details of these changes can be found in the attached [factsheet](#), which is also available online at gov.uk. Further detailed guidance on the CJRS will be published next Tuesday.

RT HON RISHI SUNAK MP