

Workplace Pension Update

Are you aware of the latest workplace pension updates affecting employers?

As the COVID-19 situation continues to evolve, there have been key changes made to how the Coronavirus Job Retention Scheme impacts workplace pensions.

The latest updates from The Pensions Regulator relate to claims continuing on after 1 August. The level of the grant will reduce gradually from this date until the Scheme closes on 31 October. From 1 August, employers will no longer be able to claim a grant for the statutory minimum automatic enrolment employer contributions for such claims – instead, they are required to pay both their own pension contributions and National Insurance contributions for all staff for the hours the employee is on furlough.

Employers may still claim the lower of 80% of furloughed staff wages or £2,500 a month. Wage caps are proportional to the hours an employee is furloughed, i.e. employers may claim the pro-rated equivalent if an individual is working part of the time after 1 July 2020.

Employers will continue to have the option to top up employee wages above the 80% total and £2,500 cap for the hours not worked at their own expense. Employers will always have to pay their employees for the hours worked. The amount available to claim will reduce to the lower of 70% or £2,187.50 a month in September and the lower of 60% or £1,875 in October.

We will continue to keep you informed with all the latest updates and you can [click here](#) to read the official guidance in full. For more information and support, contact our team.

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