



HM Treasury

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Patrick Milnes  
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2 February 2021

Dear Patrick Milnes,

Thank you for your correspondence dated 29 January regarding COVID-19 job retention scheme. The Treasury has received unprecedented amounts of correspondence since the start of the coronavirus outbreak in the UK. The Chancellor of the Exchequer has asked me to write to you directly.

It would be challenging to target the Coronavirus Job Retention Scheme (CJRS) to specific sectors in a fair and deliverable way, and it may not be the most effective or sensible approach to provide longer term support for those sectors most affected by coronavirus. It would also be difficult to target the CJRS at specific sectors without creating distortion, particularly as some firms work across multiple sectors.

The CJRS is just one of the schemes to support firms through COVID-19. There are other schemes (including CBILS) that can provide support to specific firms. The Government will continue to monitor developments and engage with affected sectors, with the aim of ensuring that support provided is right for these sectors and for the economy as a whole.

The CJRS has had to be set up to operate at very significant scale, quickly and with limited manual intervention. The use of RTI (Real Time Information) allows HMRC (HM Revenue and Customs) to verify claims in the most efficient and timely way, ensuring payments can be made quickly while reducing the risk of

fraud. Without the use of RTI returns it would be difficult to verify claims without significant additional checks, which would delay payment for genuine claims.

This scheme is just one element of a comprehensive package of support for individuals and businesses. On 8 July, the Government also introduced the new Plan for Jobs which will make available up to £30 billion to assist in creating, supporting and protecting jobs.

Furthermore, the Government has taken other steps to support businesses by extending four of the temporary loans schemes (CBILS, CLBILS, BBLs, Future Fund), and by providing greater flexibility to repay these loans, deferred VAT and expanded business grants to cover businesses in particularly badly affected sectors in high-alert level areas.

Temporary welfare measures announced in March include: a £20 per week increase to the 2020–21 UC standard allowance and Working Tax Credit basic element, the suspension of the Minimum Income Floor for self-employed UC claimants, and nearly £1 billion of additional support for private renters claiming Universal Credit or Housing Benefit in 2020/21 following the increase of the local housing allowance rate to the 30th percentile. These changes are benefitting both new and existing claimants.

I hope this is helpful. If you have any questions about this reply, please email [public.enquiries@hmtreasury.gov.uk](mailto:public.enquiries@hmtreasury.gov.uk) quoting reference MC2021/03527.

Yours sincerely,

Rebecca Treadaway

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