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CHECK IF YOU CAN CLAIM FOR YOUR EMPLOYEES' WAGES THROUGH THE CORONAVIRUS JOB RETENTION SCHEME – FLEXIBLE FURLOUGH CLAIMS NOW OPEN

Employers can now submit furlough claims for periods starting on or after 1 July.

If you cannot maintain your workforce because your operations have been affected by coronavirus (COVID-19), you can furlough employees and apply for a grant to cover a portion of their usual monthly wage costs where you record them as being on furlough.

From 1 July, employers can bring furloughed employees back to work for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked. From this date, only employees that you have successfully claimed a previous grant for will be eligible for more grants under the scheme. This means they must have previously been furloughed for at least 3 consecutive weeks taking place any time between 1 March and 30 June 2020. For the minimum 3 consecutive week period to be completed by 30 June, the last day an employee could have started furlough for the first time was 10 June. This may differ if you have an employee returning from statutory parental leave.

From 1 August 2020, employers will be asked to contribute towards the cost of their furloughed employees' wages.

Who can claim?

You can claim for any employees you have furloughed if you have:

- furloughed that employee for at least 3 consecutive weeks between 1 March and 30 June 2020
- a UK PAYE scheme started on or before 19 March 2020
- enrolled for PAYE online
- submitted a report under the Real Time Information (RTI) reporting system for that employee on or before 19 March 2020
- a UK bank account

For employees that meet the criteria above, the amount you claim for in any single claim period starting from 1 July cannot exceed the maximum number of employees you claimed for under any claim ending by 30 June.

For example, an employer had previously submitted three claims between 1 March 2020 and 30 June, in which the total number employees furloughed in each respective claim was 30, 20 and 50 employees. Then the maximum number of employees that employer could furlough in any single claim starting on or after 1 July would be 50.

Agreeing to furlough employees

Employers should discuss with their staff and make any changes to the employment contract by agreement. When employers are making decisions in relation to the process, including deciding who to offer furlough to, equality and discrimination laws will apply in the usual way.

To be eligible for the grant, employers must have confirmed to their employee (or reached collective agreement with a trade union) in writing that they have been furloughed. You must:

- make sure that the agreement is consistent with employment, equality and discrimination laws
- keep a written record of the agreement for 5 years
- keep records of how many hours your employees work and the number of hours they are furloughed (i.e. not working)

The employee does not have to provide a written response and you do not need to place all your employees on furlough.

Prior to 1 July 2020, employees on furlough cannot undertake any work for you other than training. From 1 July, you will:

- only be able to claim for employees who have previously been furloughed for at least 3 consecutive weeks taking place any time between 1 March and 30 June 2020
- be able to flexibly furlough employees – this means you can bring your employees back to work for any amount of time, and any work pattern
- still be able to claim the furlough grant for the hours your flexibly furloughed employees do not work, compared to the hours they would normally have worked in that period.

If you flexibly furlough employees, you will need to agree this with the employee (or reach collective agreement with a trade union) and keep a new written agreement that confirms the new furlough arrangement. You will need to:

- make sure that the agreement is consistent with employment, equality and discrimination laws
- keep a written record of the agreement for 5 years
- keep records of how many hours your employees work and the number of hours they are furloughed (i.e. not working).

You do not need to place all your employees on furlough, and you can continue to fully furlough employees if you wish. Employees cannot undertake any work for you during time that you record them as being on furlough.

Using minimum furlough periods

Until 1 July 2020, any employees you place on furlough must be furloughed for a minimum of 3 consecutive weeks. When they return to work, they must be taken off furlough. Employees can

be furloughed more than once, but they must be furloughed for a minimum of 3 consecutive weeks each time they are furloughed.

From 1 July, agreed flexible furlough agreements can last any amount of time. Employees can enter into a flexible furlough agreement more than once.

Where a previously furloughed employee starts a new furlough period before 1 July this furlough period must be for a minimum of 3 consecutive weeks. This is the case regardless of whether the 3 consecutive week minimum period ends before or after 1 July.

For example, a previously furloughed employee can start a new furlough period on 22 June which would have to continue for at least 3 consecutive weeks ending on or after 12 July. After this the employee can then be flexibly furloughed for any period. However, after 1 July, employers cannot make claims that cross calendar months, so the employer will need to make a separate claim for the period up to 30 June.

Although flexible furlough agreements can last any amount of time, unless otherwise specified the period that you claim for must be for a minimum claim period of 7 calendar days.

For more information see: https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme?utm_source=b8bc2614-b5a2-4841-ad9b-e3255de6c543&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate

FIND EXAMPLES TO HELP YOU CALCULATE YOUR EMPLOYEES' WAGES

Check examples to help you calculate your employee's wages, National Insurance contributions and pension contributions if you are claiming through the Coronavirus Job Retention Scheme.

Documents



[Examples of how to calculate your employees' wages, National Insurance contributions and pension contributions](#)

HTML



[Example of how to calculate the amount you should claim for an employee who is flexibly furloughed](#)

HTML

See: https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages?utm_source=c11e17df-f95b-47c2-9a4d-71232bc5f907&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate