

1. Introduction

In March 2020, the Government introduced the Coronavirus Job Retention Scheme (CJRS) by the Government to support jobs and prevent employers from having to lay off staff or make redundancies until 30 September 2020.

The government has announced that the CJRS will be replaced by the Job Support Scheme (JSS) as of 1 October 2020. The introduction of the JSS has now been postponed and looks unlikely to be introduced until at least November 2020.

The £1,000 furlough grant was retained after the introduction of the JSS. Rishi Sunak has announced that the furlough grant will be "deployed at the appropriate time" instead.

Please note that this guidance is subject to change and so it is important to keep checking for up-to-date information.

Updated guidance can be found here:

<https://www.gov.uk/guidance/coronavirus-job-retention-scheme>

In order to qualify for the scheme, employers must designate affected employees as 'furloughed' and the following document is available in the 'Furloughed' folder:

[Coronavirus Job Retention Scheme](#), which can be used to seek employment from the government.

2. What does the scheme cover?

2.1 When an employee is furloughed, they do not work but continue to be employed. The employee's salary is unaffected and the employee will continue to accrue holiday leave. Although employees cannot do any voluntary work whilst they are on furlough, they can do volunteer work.

2.2 Under the scheme, the government will cover 80% of salaries, up to £2,500 per month. The government will reduce to 70% in July and 60% in August and September. Employers are required to pay employees' National Insurance and pension contributions.

2.3 Furloughed employees are not subject to tax and National Insurance in the usual way. Employers can claim for financial assistance by means of an HMRC portal (the Coronavirus Job Retention Scheme Gateway) and employees will be paid in the usual way.

2.4 Being furloughed is a change of employment status and so the employer must inform the employee of this change.

2.4.1 The employer must (and tell) the employee that he or she has been furloughed;

The Coronavirus Job Retention (Furlough) Scheme (CJRS) was set up to support UK employers who were severely affected by the coronavirus pandemic. It is a temporary wage support measure that is designed to help employers with difficulties in paying wages rather than laying off staff. The closure of the CJRS has now been postponed.

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S A M P L E

- 2.4.2 leave in writing before the start of the furlough
- 2.4.3 the payroll.
- 2.5 The employee's terms and conditions of the contract and staff
- 2.6 Employers to 'top-up' salaries to 100%. The government
3. **What is flexible furlough?**
- Flexible furlough allows employees to work part time and receive a furlough grant for unworked hours. As with full furlough, employers will need to keep records in place, detailing the hours the employee will be working and furloughed. An employer can agree any working arrangements for flexible furlough.
- A Flexible Furlough Grant can be found here:
<https://simple-docs.co.uk/Job-Retention-Scheme-Furlough-Letter>
4. **What can employees do whilst on furlough?**
- 4.1 Can employees work for another employer when on furlough?
- Yes, provided by the employment contract or the employer clause. The employee needs to be able to return to work if their employer recalls them.
- 4.2 Can employees undertake training while furloughed?
- Yes. Employees can do training provided that this does not involve generating revenue for, the employer.
- 4.3 Can employees volunteer whilst on furlough leave?
- Yes, but employees should not volunteer for their usual employer.
5. **How long does furlough last?**
- 5.1 How long can furlough last?
- Unlike the CJRS, there is no minimum number of weeks as to be on furlough.
6. **Can employers designate employees as furloughed? What about casual and zero-hours contracts?**
- 6.1 Can employers designate employees as furloughed?
- No, they must have been furloughed.
- 6.2 How long must employees have been furloughed?
- The employee must be designated with a letter saying that their working status has been furloughed. Records must be kept for 5 years.
- 6.3 Are casual and zero-hours contracts eligible for furlough?

- leave
Yes, zero-
ers on the PAYE system, including any casual or in that way.
7. **Holiday-related**
- 7.1 How Bank Holidays falling in the furlough period?
If employees take Bank Holidays as leave, the employer must top up the employee to their normal holiday pay rate or give them a day's holiday in lieu.
- 7.2 Can employees carry over holiday into the next leave year?
The employer should ensure that employees who have not taken all of their holiday entitlement (up to 20 days) will be able to carry it over into the next leave year. This applies where, on account of coronavirus, it is not possible for employees to take some or all of the holiday to which they are entitled. However, employees should still be encouraged to take their holiday during the current leave year.
- 7.3 Can employees claim holiday pay whilst on furlough leave?
Yes, employees can claim holiday pay as normal. Employers can claim back the cost of holiday pay for furlough days (subject to the cap of 80% of salary or £2,500 per employee per year). The employer must make up the difference between that and the employee's normal salary.
- 7.4 Can employees take holiday while furloughed?
Yes. Employees can take holiday during furlough, they should give the employer notice as the length of the holiday they want the employer's notice for one day's holiday.
8. **How do employers claim for the S scheme?**
- 8.1 The employer should use an online portal operated by HM Revenue & Customs. The employer will have to provide HMRC with details of the following:
- 8.1.1 The number of employees being furloughed;
 - 8.1.2 The name and National Insurance Number of each employee;
 - 8.1.3 The start and end date of the claim period;
 - 8.1.4 The employer's name and telephone number;
 - 8.1.5 The employer's PAYE scheme reference number;
 - 8.1.6 The employer's Corporation Tax Unique Taxpayer Reference, Self-employed Unique Taxpayer Reference or Company Registration Number for the entity;
 - 8.1.7 The employer's bank account details;
 - 8.1.8 The employer's registered name, and;
 - 8.1.9 The employer's email address.
- 8.2 For each employee, the employer should make sure that this employee has access to the system to make a claim.

9. Coronavirus

It is possible
However, given
workforce, e
redundancy.
by the CJRS

Documents
Employment

employees redundant during or after furlough leave.
The CJRS is to enable employers to maintain their
careful not to progress too quickly from furlough to
after 1 December 2020 will no longer be covered

Large redundancy can be found in the Simply-Docs

9.1 Redundancy Leave

If a
progr
demo
proce
this r

on the position of implementing a redundancy
the furlough period, the usual requirement to
genuine redundancy situation and follow a fair
there are additional considerations for employers in

9.1.1

ties of consulting with employees remotely.
tions will still have to take place individually or
will be by means of video or conference call, or in

9.1.2

ve employees the right to be 'accompanied' to the
, even if this meeting is carried out remotely.
consider how best to enable this.

9.1.3

ing 20 or more employees redundant in a 90-day
consultation is triggered, the Company must
ults collectively with Trade Union or staff
that it meets the 30-day (or 45-day for 100 or more
e for starting consultation. Aside from the long
ultation process, there will be practical difficulties
onsultation with representatives in the current
panies where there is no recognised Trade Union
entatives, an election for staff representatives will
ore consultation can begin, further elongating the
for a full consultation process.

9.1.4

be particularly careful to ensure that redundancy
riteria are fair, objective and reasonable and that
out them before they are confirmed. In particular,
air if employees are automatically selected for
they were selected to be furloughed.

9.1.5

for redundancy, employers will have to consider
ee for redundancy when he or she could remain
make the resulting redundancy dismissal unfair.

9.2 Alternative

As p
can b

y process, employers should consider steps that
sory redundancies. These may include:

9.2.1

voluntary redundancy;

9.2.2

staff to work flexibly on reduced hours by

9.2.3

recruitment;

- 9.2.4 redeploy employees to other parts of the business;
- 9.2.5 redeploy freelancers and casual workers; and/or
- 9.2.6 agree or agreed salary reductions.

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