

## Croner Member Support Helpline

### Your FAQ's Answered

Through your association membership, you have access to instant, free advice via the Croner Member Support Helpline.

Croner specialise in HR, employment law, health & safety, commercial legal and tax matters. Their advisers will give you pragmatic advice to guide you through these areas, as well as any urgent challenges you may face because of the pandemic.

Call **0844 561 8133** and quote our association membership number to speak with a specialist.

Below, advisers reveal the most FAQs received by the advice line recently, and their expert response.

#### **How long is the Job Retention Scheme going to last for?**

The Job Retention (or furlough) Scheme covers the period from 1 March 2020 to 31 October 2020. When it is concluded, it will have provided assistance to employers for eight months in total.

#### **When did the furlough scheme change?**

Between March and June 2020, the furlough scheme operated in the same way. Staff were placed on furlough, meaning they conducted no work, and the government provided a grant to cover 80% of their wages, plus their national insurance (NICs) and minimum auto-enrolment pension contributions.

On 12 June, the Government released further guidance on how the furlough scheme was to operate from 1 July 2020 and how it would be funded from August. This is the flexible furlough scheme.

These changes are part of the government's plan to wind down use of the scheme until it finishes in October.

#### **What is flexible furlough?**

From 1 July 2020, employers can bring furloughed employees back to work for any amount of time and any work pattern. They can still claim the furlough grant for the hours their flexibly furloughed employees do not work, compared to the hours they would normally have worked in that period.

For example, a member of staff can now be asked to return to work three days per week, instead of the five they used to work. They would be paid in full for these three days, however the remaining two would still be covered by the government grant from the furlough scheme.

#### **Do employers have to make use of flexible furlough?**

No. Employers do not have to bring staff back part-time, and can continue to keep them on full-time furlough if they wish up until the end of October, when the scheme will finish.

#### **Who can be placed on furlough from July?**

From 1 July 2020, only employees that employers 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 three consecutive weeks taking place any time between 1 March and 30 June 2020. For the minimum three 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.

### **So, to confirm, I cannot furlough anyone from July onwards if they have not been furloughed before?**

There are exceptions to this rule. Staff who started from maternity, paternity, adoption, shared parental or parental bereavement leave before 10 June and returned after this date can still be furloughed for the first time. The same applies to those who started a period of mobilisation with the Reserve Forces before 10 June and returned after this date. However, in both situations, the employer must have used the Job Retention Scheme in relation to other employees in their business. In addition, anyone subject to a TUPE transfer after 10 June can be furloughed by the 'new' employer as long as they had been furloughed in line with the rules by the 'old' employer.

### **Are there any changes to how employers can claim for the furlough grant from 1 July?**

The minimum claim period is now seven days, but there is no minimum amount of time that an employee can be furloughed for. Claims cannot overlap calendar months. Additionally, claims relating to the period leading up to the end of June, and therefore relating to the old scheme, need to have been made by no later than 31 July.

When claiming for employees who are flexibly furloughed, employers should not claim until they are sure of the exact number of hours staff will have worked during the claim period. If they claim in advance and their employee works for more hours than HMRC has been informed, the employer will have to pay some of the grant back to HMRC.

### **How is the furlough scheme going to be funded from 1 August?**

The government are changing how much they are going to supply in the grant, but staff will still need to receive 80% of their wages to a cap of £2,500 when placed on furlough.

In August, the government will pay 80% of wages up to a cap of £2,500 and employers will pay employer NICs and pension contributions for the hours the employee does not work.

In September, the government will pay 70% of wages up to a cap of £2,187.50 for the hours the employee does not work. Employers will also pay employer NICs and pension contributions and 10% of wages to make up 80% total up to a cap of £2,500.

In October, the government will pay 60% of wages up to a cap of £1,875 for the hours the employee does not work. Employers will also pay employer NICs and pension contributions and 20% of wages to make up 80% total up to a cap of £2,500.

### **What is the Job Retention Bonus?**

On 8 July, the Chancellor announced a new Job Retention bonus for employers who have used the Job Retention Scheme. Employers will receive a £1,000 cash bonus for every furloughed employee provided that:

- the employer brings the furloughed employee back to work and continues to employ them for the period of November 2020 to the end of January 2021; and
- the employee earns a minimum of £520 average per month between November and January 2021.

### **Do employers need to bring back workers who are 'shielding' from August?**

From 1 August in England and Scotland, and 17 August in Wales, 'shielding' is to pause, which essentially does free up 'shielding' employees to return to work. Employers should be aware of local extensions to shielding. Also from 1 August, employers in England will be granted more discretion to ask staff to return to work, meaning it is entirely down to them where staff conduct their duties.

That said, this does not necessarily mean that everyone who has been shielding will immediately be in a position to come back to the workplace from August onwards. They should only be asked to return to the workplace if it is COVID-secure and after consultation between employer and employee. Employers remain able to permit staff to continue to work from home, or to discuss alternative working patterns with them, if preferable.

### **Expert Advice**

For specialist advice and pragmatic guidance to help your business, call **0844 561 8133** to speak with an adviser today.