

Stefan Mars

info@Halborns.com

0115 718 0333



Flexible furlough

Halborns.





Current furlough scheme

- Scope of the scheme
- It's 'full furlough' or nothing
- Can remain on full furlough up to 31 October 2020
- Periods up to 30 June must be claimed by 31 July



Flexible furlough

- Starts 1 July – alternative to full furlough
- Only available for previously furloughed employees
- Or those returning from statutory family leave or reserve forces duty
- Can claim from 1 July

How flexible furlough works

- Any number of hours or shift pattern
- Full pay for the hours they work
- Furlough pay for the hours they don't
- Maximum number of employees you can claim for

Halborns.





Claiming flexible furlough

- Minimum claim period of 7 days
- Must start and end within the same calendar month
- Must include full furlough and flexible furlough on the same claim
- Can claim before, during or after claim period
- Maximum 14 days in advance of end of period

Payment timescales

- Within six working days of claim
- If you've deferred PAYE

Salary to use for calculating the claim

- Salaried employees: use last pay period before 19 March 2020
- Variable pay employee, use greater of:
 - Average pay in tax year 19-20
 - Pay for corresponding month in 2019

Working out what to claim

- Work out usual hours for each pay period using formula - **CP x (H/P)**
 - CP = calendar days in the claim period (e.g. 31 for July)
 - H = no. of hours in the repeating shift pattern (e.g. 45p/w)
 - P = no. of days in the repeating shift pattern (e.g. 7 days in a week)
- 31 days in July x (45 hours / 7 days) = 200 hours (rounding up to nearest hour)

Working out what to claim

- Work out 80% of usual pay (max £2,500)
 - E.g. £27k pa = £2,250pcm x 80% = £1,800
- If work for 10 days in July: 10 x 9 = 90 hours
- Furloughed hours is (usual hours – hours worked)
 - E.g. 200 – 90 = 110
- Furlough pay is £1,800 x (110 / 200) = £990



Agreeing to be flexibly furloughed

- Do you need written agreement?
- Holidays
- Benefits
- Right to end furlough and re-furlough
- Notice of working pattern



Agreeing to be flexibly furloughed

- Sick pay
- Company property
- Voluntary work
- Training



Keeping records

- Agreement to be furloughed
- Hours worked and hours furloughed
- Your calculations
- For five years

Government / employer contributions to furlough pay

	July	August	September	October
Government contribution: employer NICs and pension contributions	Yes	No	No	No
Government contribution: wages	80% up to £2,500	80% up to £2,500	70% up to £2,187.50	60% up to £1,875
Employer contribution: employer NICs and pension contributions	No	Yes	Yes	Yes
Employer contribution: wages	-	-	10% up to £312.50	20% up to £625
Employee receives	80% up to £2,500 per month	80% up to £2,500 per month	80% up to £2,500 per month	80% up to £2,500 per month

How can we help?



Document
templates



Advice

Halborns.





Any questions?

info@halborns.com

BMF Employment law helpline

0870 420 7373

Halborns.

