

Government guidance on flexible furlough

On Friday 12 June, further guidance was released on the new coronavirus flexible furlough scheme, which is set to start on 1 July 2020. We explore what this means for employers below:

- Under the original furlough scheme, employers could place staff on furlough and receive a government grant to cover 80% of their wages up to a maximum of £2,500. Crucially, employees were not permitted to carry out any work whilst furloughed.
- From 1 July, employees who have previously been furloughed can work on a part time basis.
- Employers can continue to claim 80% of wages from the scheme up to £2,500 per employee for the time they are furloughed. However, employers must cover the cost of hours worked in full. Contributions to furloughed staff wages will begin in August.
- A flexible furlough period can last for any amount of time, but the claim period must be for a minimum of one week.
- Companies must agree and confirm the part-time arrangement with their employees in writing, keeping records of the agreement for at least five years.
- Employers do not have to use the flexible furlough scheme and can continue operating under the 'full furlough' scheme.
- To qualify for flexible furlough, employees must have been furloughed for at least three weeks on or before 30 June 2020. The deadline for putting new employees on furlough passed on 10 June 2020.

Government's domestic abuse review underway

The Government has announced that they will be reviewing how employers can better support employees who are or have suffered from domestic abuse. Measures employers may need to adopt are: flexible working, emergency salary payments to survivors under financial strain, provisions for unplanned leave, and possibly more.

Did you know?

Employers are currently not required to do anything in this situation. However, taking no action may lead to issues with morale and staff mental health decline, especially if workers do not feel supported. If employers do seek to assist staff here, it is advised that measures introduced help all sexes to avoid discrimination claims.

Data from claims under the furlough scheme released

The Government revealed on 11 June 2020, using information produced with HMRC's furlough claims data up to 31 May, that 8.7 million employees from 1.07 million organisation have been supported under the scheme, totalling £17.5 billion. Largest claims came from Wholesale and Retail sectors totalling £3.3 billion.

Did you know?

Chancellor Rishi Sunak has confirmed that those returning from maternity, paternity, adoption, shared parental or parental bereavement leave will still be able to be furloughed after the 30 June deadline as long as the company has previously furloughed staff, which could greatly impact next month's figures.

Full primary school reopening plan abandoned

It has been announced in England that schools will no longer be obligated to fully reopen before the school summer holidays. This could mean that employers may find themselves juggling a reduced workforce as childcare options become a nationwide concern, especially as annual/unpaid leave requests surge.

Did you know?

Employers have discretion in allowing employees to take leave at a certain time, and depending on the contract of employment, employers may refuse a holiday request giving appropriate notice. However, due to the pandemic, it is advised that employers consider other options for their business needs.

Employers should remember that they will need to start contributing to furloughed staff wages from August. Our 24-hour Advisory Service is on hand to provide up-to-date guidance on the full furlough and flexible furlough schemes.

Please contact the 24 Hour Advice Service for advice on your specific situation before acting on the information in this publication.