

Job Retention Bonus detail announced

On 31 July 2020, the Government published more guidance on the new Job Retention Bonus. We explore what employers need to know below:

- A new Job Retention Bonus is being implemented to provide additional support to employers who keep their furloughed employees in meaningful employment, after the Coronavirus Job Retention Scheme ends on 31 October 2020.
- A one-off payment of £1000 will be paid to employers for every furloughed employee who meets certain criteria.
- To claim the bonus in relation to an employee, the employer must have claimed a Coronavirus Job Retention Scheme (furlough scheme) grant for that employee.
- The employee must have been continuously employed from the time of the employer's most recent furlough claim for that employee until at least 31 January 2021.
- The employee must have been paid an average of at least £520 per month between 1 November 2020 and 31 January 2021 (a total of at least £1,560 across the three months).
- The employee must not be serving a notice period that started before 1 February 2021.
- The employee must have up-to-date Real Time Information records for the period to the end of January 2021.
- Bonuses can be claimed from February 2021 and more information is set to be released in September 2020.

Employers given discretion over homeworking

From 1 August, employers in England have been granted more discretion over where staff work, potentially ending any homeworking measures. The Government has stated that employers can decide where it is safe for staff to carry out their duties – either a continuation of homeworking or return to a COVID secure office.

Did you know?

Local authorities in England have been given powers to implement localised lockdown measures including closing premises. It is important that employers are ready to re-implement measures, such as homeworking, should their local area face an increased rate of infections.

Job Retention Scheme contributions have begun

Although the Job Retention Scheme does not end until 31 October, employers should now be contributing to the wage costs of furloughed staff. Since 1 August, employers have been required to pay employer's National Insurance and pension contributions in relation to the hours that the furloughed worker does not work.

Did you know?

HMRC has announced the potential penalties that can be imposed on employers who commit furlough fraud. Whilst errors can be rectified, failure to report them can incur penalties such as an income tax charge, and publication of employer details.

Appeal court guidance on minimum wage law

The Employment Appeal Tribunal (EAT) recently decided on a case regarding agreements which acted to deduct employees' pay if they resigned with a certain period of time after receiving training. Because the training was mandatory, the EAT held that the deductions could not bring pay below national minimum wage.

Did you know?

As in the National Minimum Wage Act 1998, workers must be paid at least the current rate of the minimum wage. Some deductions from pay can reduce employees' wages to below the minimum age related rate but others cannot, as this case shows.

Although more information will be released in September, the Government's guidance on the Job Retention Bonus so far is extensive. Our 24-hour Advisory Service is on hand to provide up-to-date guidance and breakdowns on this and more.

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