

Coronavirus Job Retention scheme (also known as Furlough process)

- Have to be an employee (not self-employed)
- The employee has to have no work at all from the employer.
(If hours are reduced, need to apply for benefits such as Universal Credit)
- Cap is 2500/month per employee
- It can be Backdated to 1 March
- The system for employers to get these payments in place will be live on 30th April

What to do (according to ACAS)

If your employer has not contacted you since stopping your work – contact them and discuss it with them and say you want to be designated as a furloughed worker and ask them to follow the HMRC scheme.

Any furlough agreements should be in writing. It's a good idea to include:

- the date furlough starts
- when it will be reviewed
- how to keep in contact during furlough

References

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-guidance-for-employees>

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-job-retention-scheme>

<https://www.acas.org.uk/coronavirus/if-the-employer-needs-to-close-the-workplace>

Lay offs and short time working

Employees who are laid off and are not entitled to their usual pay might be entitled to a 'statutory guarantee payment' of up to £29 a day from their employer. This is short term layoffs only.

See : <https://www.acas.org.uk/coronavirus/if-the-employer-needs-to-close-the-workplace>

For Employees (from Gov.uk)

Furloughed workers

- If your employer cannot cover staff costs due to COVID-19, they may be able to access support to continue paying part of your wage, to avoid redundancies.
- If your employer intends to access the Coronavirus Job Retention Scheme, they will discuss with you becoming classified as a furloughed worker. This would mean that you are kept on your employer's payroll, rather than being laid off.
- To qualify for this scheme, you should not undertake work for them while you are furloughed. This will allow your employer to claim a grant of up to 80% of your wage for all employment costs, up to a cap of £2,500 per month.
- You will remain employed while furloughed.

- Your employer could choose to fund the differences between this payment and your salary, but does not have to.
- If your salary is reduced as a result of these changes, you may be [eligible for support through the welfare system](#), including Universal Credit.
- It is intend for the Coronavirus Job Retention Scheme to run for at least 3 months from 1 March 2020, but will extend if necessary.

How Employers access the scheme (from gov.uk)

You will need to:

- designate affected employees as ‘furloughed workers,’
- notify your employees of this change - changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation
- submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required)
- HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month.
- HMRC are working urgently to set up a system for reimbursement.
- Existing systems are not set up to facilitate payments to employers.

References

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-guidance-for-employees>

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-job-retention-scheme>

<https://www.acas.org.uk/coronavirus/if-the-employer-needs-to-close-the-workplace>