


# CJRS Changes & Flexible Furlough: What you need to know




# Welcome to today's webinar







## Presenters




**Karen Bennett**  
Head of Sales and Marketing at BrightPay




**Rachel Hynes**  
Senior Marketing Executive at BrightPay




**Victoria Clarke**  
Training & Support Manager at BrightPay




## Questions & Answers



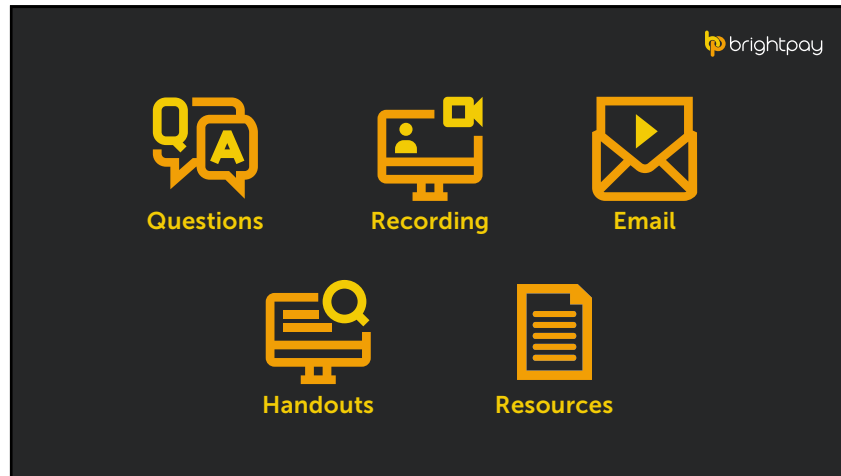
**Paul Byrne**  
Managing Director at BrightPay



**Laura Murphy**  
HR Manager & Employment Law Expert



**Victoria Clarke**  
Training & Support Manager at BrightPay



## CJRS Changes & Flexible Furlough: What you need to know


## Furlough Scheme Wind Down: A Timeline of Changes

As the scheme winds down, employers will need to contribute to employees' wages over the coming months.

### A Timeline of Changes

Employers could claim for:

- 80% of usual monthly wage costs (capped at £2,500)
- Associated Employer National Insurance contributions
- Minimum auto enrolment employer pension contributions




## A Timeline of Changes

### August 2020

Government paid 80% of wages (up to £2,500)

---

Employers were required to pay employer NI contributions & employer pension contributions



## A Timeline of Changes

### September 2020


Government are paying 70% of wages (up to £2187.50)

---

Employers must pay employer NIC & employer pension contributions

---

Employers are required to pay 10% of wages to make up the 80% (up to £2,500)



## A Timeline of Changes

### October 2020


Government will pay 60% of wages (up to £1,875)

---

Employers must pay employer NIC & employer pension contributions

---

Employers are required to pay 20% of wages to make up the 80% (up to £2,500)



## A Timeline of Changes

Employers still have the option to top up employee wages above the 80% total and £2,500 cap

---

After 31<sup>st</sup> October, the government contributions will finish, and the scheme will come to an end

---

Employers must pay employees for the hours worked



## Job Retention Bonus Scheme

All businesses can avail of a Job Retention Bonus for each employee brought back from furlough

£1,000 per employee if brought back from furlough for at least 3 months


Employee must earn at least an average of £520 per month within the 3-month period

 Additional Resource



## Flexible Furlough - Employees Returning to Work Part-Time

The government has changed the scheme to become more flexible with employees returning to work part-time.




## Flexible Furlough

Before July, furloughed employees could not undertake work for or on behalf of the organisation

From 1st July, businesses have the flexibility to bring employees back to work

Employers will still be able to claim under the CJRS for hours not worked




## Flexible Furlough


The government will continue to pay 70% (September) & 60% (October) of wages for the hours not worked

Employers required to pay employees for the hours they do work

When working 2 days – employee must be paid as normal for 2 days & subsidy will cover the other 3 days



## Flexible Furlough



Additional Resource


Employers decide their employee's hours & shift patterns

---

Any changes to the working hour arrangements must be confirmed with the employee in writing

---

If employee not returning to work part time, they can continue to claim the grant for their full hours



## Flexible Furlough


From 1 July, employers can only claim for employees who have previously been furloughed

---

The employee must have been furloughed for at least 3 consecutive weeks between 1 March and 30 June

---

Exception – employees returning from statutory parental leave



## Flexible Furlough


Returning from statutory parental leave after 10 June – can furlough for the first time, provided:

- Previously submitted claim for any other employee
- Parental leave started before 10 June and returned after 10 June
- The employee was on your PAYE payroll on or before 19 March 2020



## Calculating Flexibly Furloughed Employee's 'Usual Hours'

Employers need to submit data on flexibly furloughed employee's usual hours, actual hours worked, and furloughed hours.




## Calculating 'Usual Hours'

If employee is **flexibly furloughed** you need to record & submit:

- The employee's usual hours
- The actual hours they worked
- Their furloughed hours

---

If employee is **fully furloughed** you do not need to work out usual hours and furloughed hours




## Calculating 'Usual Hours'


Follow HMRC's guidance for those who work **variable hours** if:

- The employee is not contracted to a fixed number of hours
- The employee's pay depends on the number of hours worked

---

Follow HMRC's guidance for those who work a **fixed number of hours** if neither of these apply

 **Additional Resource**




## Calculating 'Usual Hours'

**a) Fixed number of hours & whose pay is not dependent on hours worked**

Need to calculate the usual hours for each pay period (or part pay period) that falls within the claim period

---

If employee with fixed hours was on annual, sick leave or statutory leave, calculate as if leave was not taken




## Calculating 'Usual Hours'

**b) Where pay varies by the amount of time worked**

Need to calculate the usual hours based on the higher of either:

- The average number of hours worked in the 19/20 tax year
- The corresponding calendar period in the 19/20 tax year

 **Additional Resource**

## Calculating 'Usual Hours'



Employers are required to submit data on:

- The employee's usual hours
- The actual hours they worked
- Their furloughed hours

Number of furloughed hours will be the difference between their usual hours and the hours actually worked

## BrightPay's CJRS Functionality



BrightPay's Furlough Calculator & CJRS Claim Report have been updated to support flexible furlough and other changes to the scheme.

## BrightPay's CJRS Claim Report



BrightPay provides two independent tools to assist users who have furloughed employees:


- A Furlough Pay Calculator
- A CJRS Claim Report

BrightPay has been updated to support flexible furlough and other changes to the CJRS scheme

## Key Changes to Making a CJRS Claim



The rules in relation to making a CJRS claim have changed from 1<sup>st</sup> July 2020.



**Making a CJRS Claim**


Consider your payroll frequency when deciding on your claim period

---

Claim periods must start and end within the same calendar month

---

Pay periods that span two calendar months must be broken down into two separate claims



**Making a CJRS Claim**


It's possible to make more than one claim in each month

---

All claims must last at least 7 days unless your claiming for the first few days or last few days of a month

---

These are known as 'orphan days' and in this instance a claim period can be shorter than 7 days



**Making a CJRS Claim**


You cannot make more than one claim during a claim period

---

Where furloughed continuously, the claim period must follow on with no gaps between the dates

---

Can only claim for employees who have previously been furloughed for at least 3 consecutive weeks



**Making a CJRS Claim**

The no. of employees you can claim for cannot exceed the max no. of employees claimed for previously


---

An exception is where an employee is returning from statutory parental leave after 10 June

---

In this instance, the no. of employees you're furloughing for the first time can be added to previous maximum





## Making a CJRS Claim


You should receive the payment from HMRC within 6 working days

---

If you made an error resulting in an overclaimed amount, you can let HMRC know when making next claim

---

If you made an error resulting in an underclaimed amount, you need to contact HMRC to amend the claim




## When the scheme ends...

When the scheme closes on 31st October, you must decide to either:

- Bring employees back to work on their normal hours
- Reduce employees' hours
- Terminate their employment

---

Normal redundancy rules apply to furloughed employees



## How BrightPay Connect can help with COVID-19

BrightPay Connect is an optional cloud add-on that works alongside BrightPay Payroll Software.

## Additional Resources

BrightPay's COVID-19 Resources Hub:  
<https://www.brightpay.co.uk/pages/covid-19-resources>


Claim for wages through the Coronavirus Job Retention Scheme:  
<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>


HMRC Guidance: Work out your employee's usual hours and furloughed hours:  
<https://www.gov.uk/guidance/steps-to-take-before-calculating-your-claim-using-the-coronavirus-job-retention-scheme#usual-hours>

BrightPay's CJRS Claim Report Guidance:  
<https://www.brightpay.co.uk/docs/20-21/coronavirus-covid-19-guidance-for-brightpay-users/coronavirus-job-retention-scheme-claim-report-in-brightpay/>


Job Retention Bonus Scheme:  
<https://www.gov.uk/government/publications/job-retention-bonus/job-retention-bonus>

Template Letter – Flexible Furlough:  
[http://www.brightpay.co.uk/guides/Letter\\_Regarding\\_Flexible\\_Furlough.docx](http://www.brightpay.co.uk/guides/Letter_Regarding_Flexible_Furlough.docx)







Email




Handouts



Resources



Recording



Questions





Payroll Software of the Year 2018 & 2019




5-star rating on Software Advice




99% Customer Satisfaction Rate




250,000 Businesses in Ireland and the UK




### Questions & Answers



**Paul Byrne**  
Managing Director at BrightPay



**Laura Murphy**  
HR Manager & Employment Law Expert



**Victoria Clarke**  
Training & Support Manager at BrightPay