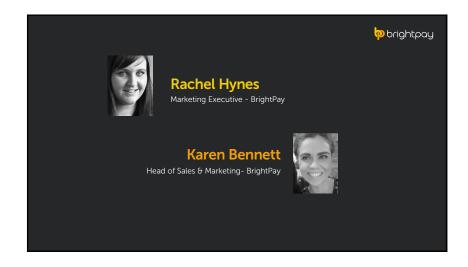
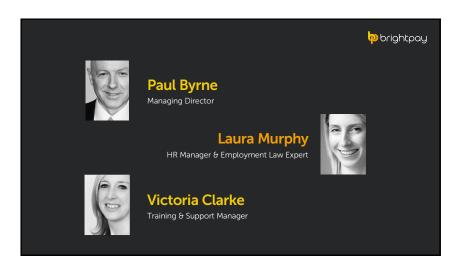
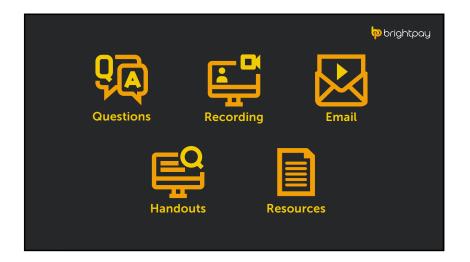
COVID-19 & Payroll:
What Employers Need To Know



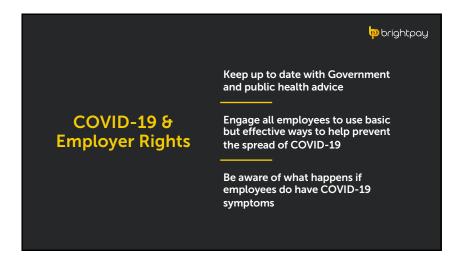






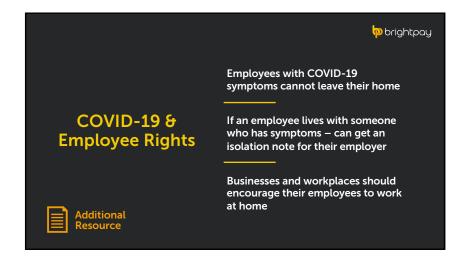




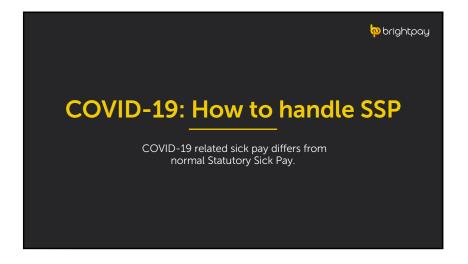


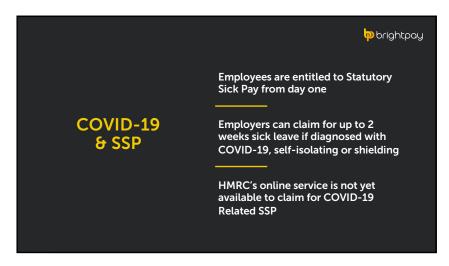


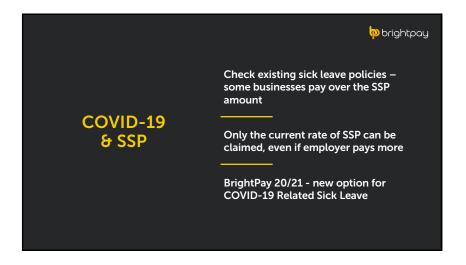














Job Retention
Scheme &
Furlough Leave

Designed to support employers whose operations have been severely affected by COVID-19

A way of preventing layoffs and redundancies

Furloughed employee – an employee who has been placed on a leave of absence

Employers can claim for:

3 Scheme & Furlough Leave

Employers can claim for:

80% of usual monthly wage costs (capped at £2,500)

Associated Employer National Insurance contributions

Minimum auto enrolment employer pension contributions

Job Retention
Scheme &
Furlough Leave

Must have been on your PAYE payroll on 19th March 2020

It's available to all employees:

• Full-time employees

• Part-time employees

• Employees on agency contracts

• Flexible / zero-hour contracts



Job Retention
Scheme &
Furlough Leave

Not all employees need to be placed on furlough

Furloughed employees cannot undertake work for or on behalf of the organisation

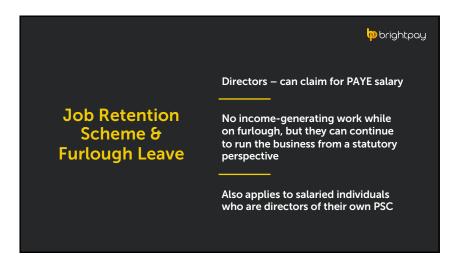
If an employee is working on reduced hours, they will not be eligible



Statutory Leave - Maternity leave, adoption, paternity, shared parental pay, parental bereavement leave

Job Retention
Scheme &
Furlough Leave

Unable to work due to caring responsibilities (e.g. childcare) — are eligible to be furloughed



Furlough leave – not intended for short term absence from work due to illness

Job Retention
Scheme &
Furlough Leave

If employer wants to furlough an employee for business reasons and they are currently off sick – they can no longer receive SSP

Shielding – can be furloughed if they are unable to work from home



Minimum – 3 consecutive weeks

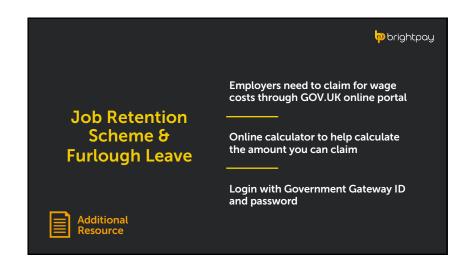
Job Retention
Scheme &
Furlough Leave

Minimum – 3 consecutive weeks

Can be furloughed multiple times

Extended: The scheme is available for 4 months from 1 March

When the scheme ends, employees can remain furloughed – no subsidy



You will need the following to make a claim:

Bank account & sort code

Contact name & phone number

Unique Tax Reference / Company Registration Number

Name, employee number and NI number for furloughed workers

Total amount being claimed & total furlough period

Job Retention
Scheme &
Furlough Leave

Less than 100 furloughed staff:
Input information directly

More than 100 furloughed staff:
You will need to upload a file with additional information:

Claim amount per furloughed employee

Claim period for each furloughed employee

You cannot make more than one claim during a claim period

Must claim for all furloughed employees at one time

Claims can be backdated to 1 March but cannot claim earlier than start date

Claims should start from the date the employee finishes work



Job Retention
Scheme &
Furlough Leave

At a minimum – whichever is lower:

• 80% of their regular wage

• £2,500 per month

Employees wage is subject to Income Tax, National Insurance, Auto Enrolment contributions

Job Retention
Scheme &
Furlough Leave

Employers – still liable for Employer
National Insurance & employer Auto
Enrolment contributions

Subsidy from HMRC will cover
Employer NI & AE contributions

Employer top-up – Employer NI and
AE contributions not subsidised

Job Retention
Scheme &
Furlough Leave

Full-time & part time employees:
salary before tax as in their last pay
period prior to 19 March 2020

If a claim is already calculated based
on employees salary as at 28
February, you can choose to still use
this calculation for your first claim



Regular payments you are obliged to make should be included when calculating furlough pay, including:

Regular payments you are obliged to make should be included when calculating furlough pay, including:

Regular wages you pay to employees

Non-discretionary overtime

Non-discretionary fees

Non-discretionary commission pay

Piece rate payments

You cannot include the following when calculating furlough pay:

Payments made where there is no contractual obligation to pay, e.g. tips, discretionary bonuses, discretionary commission payments

Non-cash payments

Non-monetary benefits that reduce an employees taxable pay, e.g. benefit in kind, salary sacrifice

Employees only entitled to NMW / NLW for the hours they are working

Job Retention
Scheme & Furlough Leave

Furlough Leave

Time spent training – must be paid the appropriate minimum wage









