

# FURLOUGH SCHEME: KEY DATES IN 2020

Employers will only be able to furlough employees that they have furloughed for a full 3 week period prior to 30 June (i.e. on or before 10 June 2020). The guidance indicates that an employee will still be eligible if they have had a 3 week period of furlough over the last three months. Therefore, the employee doesn't necessarily have to be on furlough from 10 June, if they have already had a completed furlough period.

## 30 June

The scheme closes to new entrants

The government will pay 80% of wages up to a cap of £2,500 (i.e. there is no change to the scheme in that sense), but will require employers to pay employer's national insurance contributions and pension contributions.

## 1 August

The government will pay 80% of wages

The pattern continues and the government will pay 60% of wages up to a cap of £1,875. The employer will continue to pay employer's national insurance contributions and pension contributions. However the employer will also have to pay an additional 20% to top up the 80% total up to a cap of £2,500.

## 1 October

The government will pay 60% of wages

## 1 July

Employers can start bringing back furloughed staff

The financial terms of the scheme continue without change, however, employers can start bringing back furloughed staff on reduced hours under new flexible terms. Employers will be required to pay employees for the phased hours that they work.

## 1 September

The government will pay 70% of wages

The government will pay 70% of wages up to a cap of £2,187.50. The employer will continue to pay employer's national insurance contributions and pension contributions. However the employer will also have to pay 10% of wages to make up the 80% total up to a cap of £2,500.

## 31 October

Furlough scheme ends

The scheme will close and employers will need to bear all employee costs again. Employers will therefore need to reconcile these extra amounts into the budget for their business and also evaluate the likely need for these employees after 31 October 2020.