

## Extended Furloughed Leave FAQ's

Date last updated: 16<sup>th</sup> November 2020

We have included questions that have been most commonly asked by our clients (SMEs). We have not included FAQ's relating to public sector, but these can be found in the full guidance (see below).

This guidance will be updated as further information is provided by the Government / HMRC.

The latest updates are marked in yellow for ease.

Question	Answer
<p><b>What is the new extended CJRS?</b></p> <p><b>From 1<sup>st</sup> November</b></p>	<p>The Coronavirus Job Retention Scheme has been extended until 31<sup>st</sup> March 2021. For the claim periods running to January 2021, employees will receive 80% of their usual salary for hours not worked, up to a maximum of £2,500 per month, Employers will only be asked to cover National Insurance and employer pension contributions. The government will review the scheme in January to decide whether economic circumstances are improving enough to ask employers to contribute more.</p> <p>Employers can claim for any employees who were employed and on their PAYE payroll on 30th October 2020 (<b>they do not need to have previously been furloughed to claim for periods from the 1<sup>st</sup> November 2020</b>). The employer must have made a PAYE Real Time Information (RTI) submission to the HMRC between the 20th March 2020 and 30th October 2020, notifying a payment of earnings for that employee.</p> <p>Employers will have flexibility to use the scheme for employees for any amount of time or shift pattern, furloughing employees on either a full-time or part-time basis, and will be able to vary the hours worked in agreement with the employee.</p> <p>You can:</p> <ul style="list-style-type: none"> <li>▪ fully furlough employees – during which time they cannot undertake any work; or</li> <li>▪ flexibly furlough employees - they can work for any amount of time, and any work pattern but they cannot do any work for you during hours that you record them as being on furlough.</li> </ul> <p>Employees can be furloughed if they are shielding in line with public health guidance (or need to stay at home with someone who is shielding) or if they have caring responsibilities resulting from coronavirus, including employees that need to look after children.</p> <p><b>The 30th November 2020 is the last day employers can submit or change claims for periods ending on or before 31 October 2020.</b></p> <p>The updated guidance can be found here: <a href="https://www.gov.uk/guidance/check-which-employees-you-can-put-on-furlough-to-use-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/check-which-employees-you-can-put-on-furlough-to-use-the-coronavirus-job-retention-scheme</a></p>
<p><b>Are there any restrictions to how</b></p>	<p>If you're claiming for a period that ends on or before 31 October 2020, the amount you can claim for in any single claim period starting from 1 July 2020 cannot exceed the maximum number of employees you claimed for under any</p>

<p><b>many people I can furlough?</b></p>	<p>claim ending by 30 June 2020. For example, if the highest claim for any period up to 30th June was 20 people, employers may only claim for up to 20 people in later periods and no more. There is no maximum number of employees you can claim for from 1 November 2020.</p>
<p><b>How do I flexibly furlough or furlough an employee?</b></p>	<p>If you want to furlough an employee or flexibly furlough them, you will need to agree this with the employee and confirm the new furlough arrangement with them in <b>writing</b>. You will need to:</p> <ul style="list-style-type: none"> <li>▪ make sure that the agreement is consistent with employment, equality and discrimination laws</li> <li>▪ keep a written record of the agreement for five years</li> <li>▪ keep records of how many hours the employee works and the number of hours the employee is furloughed for (i.e. not working).</li> </ul> <p>The employee does not have to provide a written response, although we would recommend that you ask them to do so.</p> <p>When claiming the CJRS grant for furloughed hours employers will need to report and <b>claim for a minimum period of one week</b>, although there is no minimum period of furlough.</p>
<p><b>What are the changes to contributions for furlough?</b></p>	<p>From November, there will be changes in the contributions and employers will need to start making some contributions.</p> <ul style="list-style-type: none"> <li>▪ <b>June and July:</b> The government will pay 80% of wages up to a cap of £2,500 as well as employer National Insurance (ER NICs) and pension contributions. Employers are not required to pay anything.</li> <li>▪ <b>August:</b> The government will pay 80% of wages up to a cap of £2,500. Employers will pay ER NICs and pension contributions – for the average claim, this represents 5% of the gross employment costs the employer would have incurred had the employee not been furloughed.</li> <li>▪ <b>September:</b> The government will pay 70% of wages up to a cap of £2,187.50. Employers will pay ER NICs and pension contributions and 10% of wages to make up 80% total up to a cap of £2,500.</li> <li>▪ <b>October:</b> The government will pay 60% of wages up to a cap of £1,875. Employers will pay ER NICs and pension contributions and 20% of wages to make up 80% total up to a cap of £2,500.</li> <li>▪ <b>November – January 2021:</b> The government will again pay 80% of wages up to a cap of £2,500. Employers will pay ER NICs and pension contributions.</li> </ul> <p><i>(When combined with the flexible furlough scheme, employers will be required to pay full pay for any hours that employees actually work).</i></p> <p>The latest guidance on how to claim and confirmation of what can be paid can be found here: <a href="https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme</a></p>
<p><b>What about employment law during this period?</b></p>	<p>Current employment law will continue to apply.</p> <p>This must be taken into consideration when placing people on furlough leave, in agreements reached when changing terms of employment and all aspects of employment (and any redundancies or short-time/lay-off actioned now or in the future).</p>

<p><b>Where can I find government guidance?</b></p>	<p>The latest guidance can be found at: <a href="https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme</a></p> <p>The government are also providing videos and webinars: <a href="https://www.gov.uk/guidance/help-and-support-if-your-business-is-affected-by-coronavirus-covid-19?utm_source=9da270a9-61a1-4408-bb6c-bfb58daa54a8&amp;utm_medium=email&amp;utm_campaign=govuk-notifications&amp;utm_content=daily">https://www.gov.uk/guidance/help-and-support-if-your-business-is-affected-by-coronavirus-covid-19?utm_source=9da270a9-61a1-4408-bb6c-bfb58daa54a8&amp;utm_medium=email&amp;utm_campaign=govuk-notifications&amp;utm_content=daily</a></p> <p>This is a link to <a href="#">claiming for the Job Retention scheme</a>:</p> <p>This is a link to the guidance on holidays: <a href="https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19">https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19</a></p> <p>This is a link to the guidance on how much you can claim: <a href="https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/calculate-how-much-you-can-claim-using-the-coronavirus-job-retention-scheme</a></p>
<p><b>Is there guidance from HMRC?</b></p>	<p>HMRC directions the Coronavirus Job Retention Scheme can be found here: <a href="https://www.gov.uk/government/publications/treasury-direction-made-under-sections-71-and-76-of-the-coronavirus-act-2020">https://www.gov.uk/government/publications/treasury-direction-made-under-sections-71-and-76-of-the-coronavirus-act-2020</a></p> <p>These will be authority on the scheme regarding payments.</p>
<p><b>What about guidance for employees?</b></p>	<p>There is guidance for employees, explaining furlough leave, that can be accessed here: <a href="https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme</a></p>
<p><b>What is furloughed leave?</b></p>	<p>Furloughed leave is the term used to describe a leave of absence under the Job Retention Scheme introduced (for a temporary period) by the government to support business and employment during the coronavirus.</p> <p>It allows UK employers to access financial support to continue paying part of their employees' salaries for those employees who would otherwise have been laid off or made redundant during the crisis.</p> <p>Furloughed leave is just the term used to describe this leave of absence. It is not a legal term in employment law (this may change with future legislation).</p> <p>Agreed flexible furlough agreements can last any amount of time but your claim must be for a minimum claim period of seven calendar days. Employees can enter into a flexible furlough agreement more than once.</p>
<p><b>How long is furlough leave for / available?</b></p>	<p>The Coronavirus Job Retention Scheme has been extended until 31st March 2021.</p>
<p><b>Who is eligible?</b></p>	<p>If you're claiming for a period that ends on or before 31 October 2020, you can only claim if you have previously furloughed your employee before 1 July 2020</p>

	<p>and you have submitted a claim for this by 31 July 2020. This may differ if you have an employee returning from statutory parental leave</p> <p>If you are claiming for a period that starts on or after 1 November 2020, then you can only claim for furloughed employees that were employed and on payroll on 30 October 2020. This means you must have made a PAYE RTI submission to HMRC between 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.</p>
<p><b>Can I make a retrospective claim?</b></p>	<p>Where consistent with employment law, any flexible furlough or furlough agreement made retrospectively that has effect from 1 November 2020 will be valid for the purposes of a Coronavirus Job Retention Scheme claim as long as it is made according to the conditions above. <b>Only retrospective agreements put in place up to and including the 13 November 2020 may be relied on for the purposes of a claim.</b></p>
<p><b>What about anyone who TUPE'd to a new employer ?</b></p>	<p>For claim periods ending on or before 31 October 2020, a new employer is eligible to claim in respect of the employees of a previous business transferred as long as:</p> <ul style="list-style-type: none"> <li>▪ the TUPE or PAYE business succession rules apply to the change in ownership</li> <li>▪ the employees being claimed for have previously had a claim submitted for them by their prior employer, the normal eligibility rules apply</li> </ul> <p>For claim periods after 1 November 2020, a new employer is eligible to claim in respect of the employees of a previous business transferred if the TUPE or PAYE business succession rules apply to the change in ownership. The employees being claimed for should have:</p> <ul style="list-style-type: none"> <li>▪ been employed by their prior employer on or before 30 October 2020 and transferred from them to their new employer on or after 1 September 2020</li> </ul>
<p><b>What about apprentices?</b></p>	<p>Yes, you can furlough apprentices like other employees, and they can continue to train whilst furloughed. However, you must pay your apprentice at least the National Minimum Wage for all the time they spend training.</p>
<p><b>What about employees on a fixed term contract?</b></p>	<p>For claim periods ending on or before 31 October 2020, you'll be able to claim for employees on fixed term contracts and the normal eligibility rules apply.</p> <p>For claim periods after 1 November 2020, if the employee's fixed term contract has not already expired, it can be extended or renewed. You can put the employee on furlough as long as they were employed by you on or before 30 October 2020. You must have made a PAYE Real Time Information (RTI) submission to HMRC between 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.</p> <p>If the employee's fixed term contract expired after 23 September, they can be re-employed and claimed for as long as the other relevant eligibility criteria are met.</p>
<p><b>How much can I claim?</b></p>	<p>Under the Job Retention Scheme the government will reimburse up to 80% of wage costs up to a cap of £2,500 per month.</p>

	<p>You cannot claim for:</p> <ul style="list-style-type: none"> <li>▪ additional National Insurance or pension contributions you make because you choose to top up your employees' wages</li> <li>▪ your employees' wages for any time they spend working, or any National Insurance or pension contributions you make on these wages</li> <li>▪ any pension contributions you make that are above the mandatory employer contribution</li> </ul> <p>Employees who have previously been furloughed (prior to 30th June) continue to have their reference pay and hours based on the old furlough calculations. Employees who have not previously been furloughed will have a pay/hour's reference period of the last pay period ending on or before 30th October 2020. If your employee has variable pay, how you work out their usual wages depends on when they were on your payroll. You should calculate 80% of the average wages payable between 6 April 2020 (or, if later, the date the employment started) and the day before they are furloughed on or after 1 November 2020.</p> <p>If your fixed pay employee has worked enough overtime to have a significant effect on the amount you need to claim, you should calculate 80% of their usual wages using the method for employees whose pay varies.</p> <p>These links provide examples to help you work out your employee's wages:-</p> <p><a href="https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages/examples-of-how-to-work-out-80-of-your-employees-wages-national-insurance-contributions-and-pension-contributions">https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages/examples-of-how-to-work-out-80-of-your-employees-wages-national-insurance-contributions-and-pension-contributions</a></p> <p><a href="https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages/example-of-a-full-calculation-for-an-employee-who-is-flexibly-furloughed">https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages/example-of-a-full-calculation-for-an-employee-who-is-flexibly-furloughed</a></p>
<p><b>Do I have to top up the 80% i.e. pay the other 20%?</b></p>	<p>No, there is no obligation to do so, but you can if you want to.</p> <p>Please note that if people are carrying out training while on furloughed leave (see below), you must pay them at least the National Minimum/Living Wage for the hours they are training (see below).</p>
<p><b>How often can I claim?</b></p>	<p>Government guidance has confirmed that, you will only be able to make one claim during a pay reference period. You must claim for all employees in each period at the same time and you cannot make changes to your claim.</p> <p>Claims from 1 November 2020 must be submitted by 11.59pm 14 calendar days after the month you're claiming for. If this time falls on the weekend, then claims should be submitted on the next working day.</p>
<p><b>How do I claim?</b></p>	<p>HMRC have an IT portal to run the scheme and can be accessed through <a href="https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme</a></p>
	<p>On the scheme up to 30 June, NO. They must <b>not</b> work for the Company while on furloughed leave. But they can volunteer or train (see next question).</p>

<p><b>Can employees work while on furloughed leave?</b></p>	<p>On 4<sup>th</sup> April the government confirmed that an employee on furloughed leave could work for another employer (subject to their contract of employment and agreement from the current employer).</p> <p>On 9<sup>th</sup> April the government confirmed that employees cannot work for organisations that are <i>linked</i> to the employer while on furlough leave.</p> <p>On 12<sup>th</sup> May the government announced that furlough will become more flexible.</p> <p>From 1<sup>st</sup> July the new flexible furlough scheme will allow employees to be furloughed for part of their contractual hours, if required.</p>
<p><b>Can employees train or volunteer while furloughed?</b></p>	<p>Yes. They can volunteer and can carry out training as long as they do not provide services to or generate revenue for, or on behalf of the company.</p> <p>Employees must be paid at least east the National Minimum Wage (NMW) if they are carrying out training for any hours, they are training.</p> <p>Guidance on 4<sup>th</sup> April stated that ‘furloughed employees should be encouraged to undertake training’.</p>
<p><b>Do I have to pay at least the NMW when on Furlough Leave?</b></p>	<p>No. You do not have to pay NMW when on furlough leave (i.e. if the 80% takes them below the NMW this is acceptable). You <b>MUST</b> pay NMW for any hours of training undertaken while on furlough leave.</p>
<p><b>Can I make someone redundant rather than put them on furlough leave?</b></p>	<p>Yes. There is no obligation to put someone on furloughed leave. You can make a position redundant. This would normally be where it is clear that you will not have a position for them at the end of this crisis. You must follow a fair redundancy procedure when making redundancies (please take further advice on this) as normal employment law will apply. This includes giving a notice period and consulting employees before a final decision is reached.</p>
<p><b>Can I consult about redundancies while they are on furlough leave?</b></p>	<p>On the 30<sup>th</sup> April the guidance was updated to confirm that union and non-union representatives i.e. employee representatives, could carry out duties relating to consultation (see below).</p> <p>This confirms therefore that you can consult about redundancies during furlough.</p>
<p><b>Can employees working as union or non-union representative carry out consultation duties whilst on furlough</b></p>	<p>On 30th April the guidance was updated to confirm that whilst on furlough, employees who are union or non-union representatives may undertake duties and activities for the purpose of individual or collective representation of employees or other workers.</p> <p>However, in doing this, they must not provide services to or generate revenue for, or on behalf of your organisation or a linked or associated organisation.</p> <p>These duties may include redundancy consultation and accompanying colleagues during disciplinary or grievance meetings.</p>

<p><b>Can you put someone on notice during furlough leave? e.g. notice of redundancy or other notice of dismissal?</b></p>	<p>Up to the end of November, you can continue to claim for a furloughed employee who is serving a statutory notice period. It is still silent on contractual notice.</p> <p>However, for claim periods starting on or after 1 December 2020, an employer cannot claim for any days on or after 1 December 2020 during which the employee was serving a contractual or statutory notice period for the employer (this includes people serving notice of retirement or resignation).</p> <p>If you make an employee redundant, you should base statutory redundancy and statutory notice pay on their normal wage rather than the reduced furlough wage.</p> <p>For claim periods after 1 November 2020, if you made employees redundant, or they stopped working for you on or after 23 September 2020 you can re-employ them and put them on furlough. This applies as long as the employee was employed and on your PAYE payroll on or before 23 September 2020. This means an RTI submission notifying payment in respect of that employee to HMRC must have been made between 20 March and 23 September 2020.</p>
<p><b>Will notice be paid at 80% or 100%?</b></p>	<p>There is debate about how much you need to pay someone for notice (i.e. 100% or 80%). This is a technical employment law question. We do however believe that most tribunals would err on the side of the employee and require 100% to be paid. We are therefore recommending that notice is paid at 100% for the period of notice (but you should take further advice on this if you wish to consider paying 80%).</p>
<p><b>Can an employee request furloughed leave?</b></p>	<p>It is the organisations decision as to whether to designate someone as being on furloughed leave. An employee has <b>no right</b> to be put on furloughed leave (please note that any decisions must not discriminate against employees or workers and must not breach the term of mutual trust and confidence).</p>
<p><b>Can someone refuse to be put on furlough leave?</b></p>	<p>Yes. However, if you have a lay-off clause in your contracts of employment you will be able to 'insist' on laying them off. The HMRC guidance states that you would not be able to claim for them unless there is written agreement, so you they would only be entitled to any guaranteed payment (£30 per day for 5 days). This is why we believe employees will agree.</p> <p>If you do NOT have a lay off clause in your contract, then the only other option will be to start a redundancy process. Again, faced with the option of redundancy or furlough, we believe that people will agree to furlough leave in all but exceptional circumstances.</p>
<p><b>Does holiday accrue during Furlough Leave?</b></p>	<p>Yes. Holiday entitlement will continue to accrue for employees who are on furlough leave. This was confirmed again on 13<sup>th</sup> May.</p>
<p><b>Can someone take holiday during furlough leave?</b></p>	<p>Yes. This was confirmed in the government guidance on 13th May.</p> <p><a href="https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19">https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19</a></p>



	<p>If an employee is flexibly furloughed, then any hours taken as holiday during the claim period should be counted as furloughed hours rather than working hours.</p> <p>Employees should not be placed on furlough for a period simply because they are on holiday for that period.</p>
<p><b>How much must employees be paid for holiday while on Furlough Leave?</b></p>	<p>Working Time Regulations (WTR) require holiday pay to be paid at the employee's normal rate of pay or, where the rate of pay varies, calculated on the basis of the average pay received by the employee in the last 52 working weeks. Therefore, if they are taking holiday during furlough, you will need to top up their pay to 100% for the holiday period.</p> <p>This will include bank holidays if these have been taken as holiday.</p> <p>This was further confirmed on 13th May (see link to guidance above).</p>
<p><b>Can you allocate holiday during furlough leave</b></p>	<p>Yes. This was confirmed in the government guidance on 13<sup>th</sup> May.</p> <p>You can allocate holiday, provided you given twice as much notice as the length of the holiday or any other duration that may be stipulated in the employment contract i.e. one month (whichever is the greater).</p> <p><a href="https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19">https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19</a></p>
<p><b>How should we treat bank holidays during furlough leave?</b></p>	<p>If an employee usually works bank holidays, then you can agree that this is included in the grant payment. If the employee usually takes the bank holiday as leave, then you would either have to top up their usual holiday pay or give the employee a day of holiday in lieu.</p> <p>This was confirmed in the guidance on holidays (above) on 13<sup>th</sup> May.</p>
<p><b>Does someone get furlough leave if they are self-isolating or off sick?</b></p> <p><b>(see shielding below)</b></p>	<p>No. If your employee is on sick leave or self-isolating as a result of coronavirus, they may be able to get Statutory Sick Pay (SSP). The Coronavirus Job Retention Scheme is not intended for short-term absences from work due to sickness. Short term illness/self-isolation should not be a consideration in deciding whether to furlough an employee.</p> <p>On 9th April the government guidance was updated to confirm that if an employee becomes sick during furlough leave, it is up to employers to decide whether to move these employees onto Statutory Sick Pay or to keep them on furlough, at their furloughed rate.</p> <p>For many employees it will be more beneficial for them to be kept on Furlough Leave.</p>
<p><b>What about those employees shielding?</b></p>	<p>Anyone who is shielding in line with public health guidance can be placed on furlough leave. <a href="https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19">https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19</a></p>



	<p>On 9<sup>th</sup> April the government guidance added that anyone who needs to stay home with someone who is shielding, can be placed on furlough leave.</p>
<p><b>Can you put directors on Furloughed Leave?</b></p>	<p>On 4<sup>th</sup> April the government guidance confirmed that directors can be furloughed if they are on the payroll (PAYE). However, this will apply to salary only. It is not applicable for any dividends.</p> <p>Where a director is furlough, this should be formally adopted as a decision of the company and noted in the company records and communicated in writing to the director.</p>
<p><b>Do I pay people on furlough leave through the payroll or wait to receive the grant?</b></p>	<p>You will still need to run a payroll and issue payslips for people.</p> <p>If at all possible, you should pay people on the normal payroll date.</p> <p>If you do not have the funds to pay employees, you may want to talk to your bank about lending. We would recommend that you make what payments you can.</p> <p>If payments (or part of any payment) must wait until you receive the grant (or bank loan) you must get agreement from employees as this will be a variation in terms of employment (i.e. a change in pay date).</p> <p>On 9<sup>th</sup> April the list of information needed to make a claim was updated as follows:</p> <p>To claim, you will need:</p> <ul style="list-style-type: none"> <li>▪ your employer PAYE reference number</li> <li>▪ the number of employees being furloughed</li> <li>▪ National Insurance Numbers for the employees you want to furlough</li> <li>▪ Names of the employees you want to furlough</li> <li>▪ Payroll/works number for the employees you want to furlough</li> <li>▪ your Self-Assessment Unique Taxpayer Reference or Corporation Tax Unique Taxpayer Reference or Company Registration Number</li> <li>▪ the claim period (start and end date)</li> <li>▪ amount claimed (per the minimum length of furloughing of 3 consecutive weeks). This will change with the new flexible furlough.</li> <li>▪ your bank account number and sort code</li> <li>▪ your contact name</li> <li>▪ your phone number</li> </ul> <p>You will need to calculate the amount you are claiming. HMRC will retain the right to retrospectively audit all aspects of your claim.</p> <p>If you have fewer than 100 employees on furlough you will be asked to enter details of each employee you are claiming for directly into the system - this will include their name, National Insurance number, claim period and claim amount, and payroll/employee number (optional).</p>

	<p>If you have 100 or more employees on furlough you will be asked to upload a file with the information rather than input, it directly into the system. The HMRC will accept the following file types: .xls .xlsx .csv .ods</p> <p>The file should include the following information for each furloughed employee: name, National Insurance number, claim period and claim amount, payroll/employee number (optional).</p> <p>HMRC retain the right to retrospectively audit all aspects of claims.</p> <p>Guidance on how to calculate your employees' wages/ salary, as well as the Employers National Insurance Contributions and pension contributions for those employees you have furloughed can be found at: <a href="https://www.gov.uk/guidance/work-out-80-of-your-employees-wages-to-claim-through-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/work-out-80-of-your-employees-wages-to-claim-through-the-coronavirus-job-retention-scheme</a></p>
<p><b>What about income tax?</b></p>	<p>HMRC has confirmed that individuals will pay income tax and national insurance contributions (NICs) on any payments received through this scheme as they are replacement for income in line with normal practice for benefits or grants that replace income. The grant will cover associated employer NI and minimum automatic enrolment pension contributions (based on the furlough salary).</p> <p>Here is the guidance on how to make a claim: <a href="https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme">https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme</a></p>
<p><b>How do I calculate pension and NI?</b></p>	<p>You can find it here: <a href="https://www.tax.service.gov.uk/job-retention-scheme-calculator/?_ga=2.216442645.2084768626.1587401770-906188118.1578906121">https://www.tax.service.gov.uk/job-retention-scheme-calculator/?_ga=2.216442645.2084768626.1587401770-906188118.1578906121</a></p>
<p><b>How much of the grant has to be paid to the employee?</b></p>	<p>All of the grant must be paid to the employee. The government confirmed on 9<sup>th</sup> April that NO part of the reclaimed grant can be siphoned off to fund benefits; or for fees, administration charges etc.</p>
<p><b>Will employer claim information be made public?</b></p>	<p>From December 2020, HMRC will publish employer names for companies and Limited Liability Partnerships (LLPs), the company registration number of those who have made claims under the scheme for the month of December onwards.</p>
<p><b>What if I have overclaimed?</b></p>	<p>If you've overclaimed a grant and have not repaid it, you must notify HMRC by the latest of either:</p> <ul style="list-style-type: none"> <li>▪ 90 days after the date you received the grant you were not entitled to</li> <li>▪ 90 days after the date you received the grant that you were no longer entitled to keep because your circumstances changed</li> <li>▪ 20 October 2020</li> </ul>

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	<p>If you do not do this, you may have to pay a penalty. If you do repay any overclaimed grant, this will prevent any potential tax liability in respect of the overpayment of Coronavirus Job Retention Scheme.</p> <p>The HMRC have confirmed that they will not be actively looking for innocent errors in their compliance approach.</p>
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This guidance will be update as required and as there is further guidance provided by government.