

## Key Revisions to the Extended Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme has been extended until 31 October for those employers with a UK bank account who were operating PAYE on 19 March 2020.

The Scheme enables employers to continue to furlough employees, including supply teachers working for employment businesses or umbrella companies. The employer receives a grant to cover 80% of an employee's usual wage, or £2,500, whichever is lower, provided the employee was employed on 19 March and on the PAYE payroll on or before 19 March 2020.

Whilst this remains in place, the Government has introduced a number of key changes to the way in which the Scheme operates going forwards, notably:

- From June 10, the Scheme closed to new entrants who had not been furloughed for a minimum of three weeks, unless an eligible employee was on a period of statutory leave (e.g. maternity leave) which had begun prior to June 10.
- From 1 July, employers will have the flexibility to bring back furloughed employees part time (flexible furlough):
  - o employees, including those on variable hours (e.g. supply teachers), will be able to work for some of the week and be furloughed for the rest, with the employer claiming a grant proportional to the hours **not worked**;
  - o the hours of work and the hours of furlough will need to be agreed in writing;
  - o employees can enter into flexible furlough arrangements more than once.
- From July onwards, whilst the amount received by eligible employees remains at 80% of wages, capped at £2,500, the way in which the payment is comprised changes:
  - o from August, employers will be expected to pay employers' National Insurance Contributions (NICs) and relevant pension contributions;
  - o from September, employers will be expected to pay 10% (up to £312.50) towards the employees' furlough pay and the Government will pay 70% (up to £2,187.50);
  - o in October, employers will be expected to pay 20% (up to £625) towards the employees' wages and the Government will pay 60% (up to £1,875).
- From 1 July, the three-week minimum period for which employees can be furloughed, including supply teachers, has been removed.
- Each claim period an employee makes after July 1 must start and end within the same calendar month and must be at least seven days, unless the employee is claiming for the first few days or the last few days in a month.

If an employer opts to utilise flexible furlough, they need to work out 80% of an employee's usual wage in order to determine how much to claim as a grant and how to pay as the employer under the revised scheme.

From 1 July, the employer claims a pro-rated amount of 80% based on the proportion of hours not worked out of the employee's normal working hours ('usual hours'<sup>1</sup>).

- For full-time or part-time employees, 'usual hours' are based on the number of hours worked in the relevant pay period before March 19 2020.
- For employees whose pay varies, such as supply teachers, 'usual hours' are the higher of either:

<sup>1</sup> 'Usual hours' include any hours of paid leave at the full contractual rate and any hours worked as overtime, but only if the pay was non-discretionary.

- o the average number of hours worked in the tax year 2019-20; or
- o the corresponding calendar period in the tax year 2019-20.

As with the previous Job Retention Scheme, both the employer and the employee must agree the furlough arrangement, including a new agreement if moving to flexible furlough. The employer has to notify the employee in writing, and this should be retained by the employer for five years. If the employer reaches a collective agreement with a trade union, such as the NASUWT, that is also acceptable for the purpose of the Scheme.

Employers are now expected to retain records, detailing the number of hours employees work and how many hours employees are furloughed, together with the details of the amount claimed and the relevant calculations for six years.

Despite these changes, it is important to note that an employer can continue to keep all of its employees on 'full furlough.' In this instance, an employee is not able to undertake any work for that employer or any organisations linked to that employer.

Under the Job Retention Scheme, there is nothing that prevents your employer from topping up the salary you receive to 100% of your normal pay.

There is nothing to prohibit an employee undertaking work for another employer while furloughed or on 'flexible furlough' with their current employer(s).

The Job Retention Scheme applies to each employer individually, so an employee could be in receipt of 100% of their wages from one employer, whilst in receipt of 80% of their wage from the employer that has furloughed them.

Employees should check their contract carefully to see how they are employed and whether there are any restrictions on who they are able to work for, although the employer may be content to waive any such restrictions.

For supply teachers working through an agency, whilst furloughed by an agency, a supply teacher is not able to undertake any work for that employer/agency, including undertaking or continuing other assignments at different schools that are the clients of the agency.

However, a number of supply teachers are signed up and work for a number of different supply agencies.

As these are each separate agencies/employers with separate PAYE reference numbers, there is nothing to stop a supply teacher working for one agency/employer whilst furloughed or flexibly furloughed with another, or both.

The Job Retention Scheme applies to each employer/agency individually.

The Union is aware that the extended Job Retention Scheme, specifically the reference to increased employer contributions, may have a detrimental impact on the number of supply teachers being helped through furlough, and the associated financial impact associated with the loss of earnings.

The NASUWT has written to the Secretary of State for Education asking that consideration is given to supply teachers continuing to receive further financial support going forwards.

The NASUWT has produced a template letter for members to send to their MP to highlight the need to amend the extended Job Retention Scheme to better protect supply teachers. This can be found at: [www.nasuwt.org.uk/supplyteachersfurloughcampaign](http://www.nasuwt.org.uk/supplyteachersfurloughcampaign).

Please also refer to our coronavirus FAQs for further advice and guidance.



E-mail: [advice@mail.nasuwt.org.uk](mailto:advice@mail.nasuwt.org.uk)  
Website: [www.nasuwt.org.uk](http://www.nasuwt.org.uk)