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Coronavirus (COVID-19): furlough guide

This guide outlines the key facts you need to know about furlough leave and the revised scheme applicable from 1 July onwards

As part of its response to the COVID-19 pandemic the government has introduced the [Coronavirus Job Retention Scheme](#). This allows all UK employers with employees on a PAYE scheme to designate those employees as 'furloughed workers'. Employers have access to Government support to continue paying part of these furloughed employees' salaries and potentially protect the employees from redundancy. The first phase of the scheme finishes at the end of June and will close completely at the end of October.

This guide outlines the key facts about designating employees as furloughed workers, gives advice on implementing this type of leave and details [the extension of the scheme](#) (announced on 12 May). We will continue to update this guide to reflect the new guidance which emerges from the Government. In the meantime employers should check the [Government website](#) for the latest information.

What is furlough?

The word 'furlough' generally means temporary leave of absence from work. This can be due to economic conditions affecting one company, or matters affecting the whole country. Until now the expression has not carried any meaning in UK employment law but has been temporarily introduced in response to the unprecedented situation presented by the COVID-19 pandemic. This does not mean that the fundamentals of employment law have changed, simply that this scheme adds to them.

Furlough leave has been temporarily introduced by the government to provide employers with an option to keep employees on the payroll without them working; while working reduced hours is allowed under the flexible extension to the furlough scheme (starting in July). As the furloughed staff are kept on the payroll, this is different to being laid off without pay or being made redundant. The ability to furlough employees was designed to support employers who are severely affected by coronavirus.

This provides employers with another option when reviewing the circumstances of their

business, as an alternative to implementing redundancies or lay offs without pay. Each employer will need to review options carefully (alongside legal advice) to pursue the best option for them.

Ending of the scheme

The Coronavirus Job Retention Scheme was originally scheduled to finish at the end of June. This has been extended until the end of October. It is critical for employers to understand the relevant dates and the fine detail. The key dates are outlined below.

The final date by which an employer can furlough an employee for the first time was 10 June. The full furlough scheme closes to new entrants on 30 June but there must have been a full 3-week furlough period completed before then for employees to continue to qualify. Employers must keep a careful record to show that the employees were furloughed on or before 10 June (although there is a limited exception to this cut-off date for those returning from periods of statutory parental leave - see below).

Closure to new entrants from 30 June

From 1 July claims are restricted to employers currently using the scheme for employees who they have previously furloughed before 10 June. This means that the only employees who can be furloughed are those who have already completed a full three-week furlough period before 30 June. There is a further deadline of 31 July to make any claims for staff furloughed during the March to June period.

The only exception to the 10 June cut-off date is for parents on statutory maternity leave who plan to return to work in the coming months; the Government has confirmed these employees will be eligible for the extended furlough scheme if their leave periods ends after the 10 June cut-off date. This applies to statutory paternity, adoption, shared parental, and parental bereavement leave too. Further [Government guidance](#) on the extended furlough scheme was published on 12 June, outlining which employees employers can use the scheme for, and how to work out what you can claim. You can also refer to our [furlough FAQs](#) for more information.

Flexible furlough

From 1 July the furlough scheme becomes more flexible before it ends completely on 31 October 2020. The flexible scheme applies to employers currently using the scheme for previously furloughed employees. Employees will continue to receive 80% of their salary, subject to the cap, but employers will need to share the burden of paying NI and furlough salaries from August onwards. As under the original scheme, employers can top up the wages above the grant for fully furloughed staff if it is feasible for them to do so. Employees can work part-time under the revised flexible scheme. The capped figures on

the furlough pay will apply in proportion to the hours not worked.

Timeline for the flexible scheme

There are now the following five stages:

June

From 10 June the furlough scheme is effectively closed for employees who have not been previously furloughed. Until June 30 employers can claim for 80% of furloughed employees current salary, up to £2,500 but the employee must not work for the employer. Employer National Insurance Contributions and certain pension contributions can be claimed too. Employers are not required to contribute anything towards furloughed employees' salaries for June.

July

The new flexible scheme applies only for previously furloughed employees. These people can now return to work part time, but employers can still claim the grant for normal hours not worked. Any amount of working time and any shift pattern can be agreed with the previously furloughed staff. Until July 31 employers can still claim for 80% of the furloughed employees current salary, up to £2,500 as well as employer National Insurance Contributions and pension contributions. This only applies for the hours the employee doesn't work. Employers must pay employees for the hours they work.

August

The main change is that from 1 August, employers will have to pay employee's National Insurance Contributions and pension contributions, and can no longer claim a grant for these. Until August 31 the government will pay 80% of furloughed employees wages up to a cap of £2,500 for hours not worked. Employers must pay employees for the hours they work. Employers funding of employers' NICs and pension contributions applies to both the hours not worked and hours worked if any.

September

From 1 to 30 September the government will pay 70% of furloughed employees wages up to a cap of £2,187.50 for hours not worked. Employers will pay 10% of wages to make up 80% total up to a cap of £2,500 plus employers' total NICs and pension contributions.

October

From 1 October until the end of the scheme on 31 October the government will pay 60% of wages up to a cap of £1,875 for the hours the employee does not work. Employers will pay 20% of wages to make up the 80% total up to a cap of £2,500 plus employers' total

NICs and pension contributions.

Watch our [webinar on the latest furlough developments](#) to find out more.

Which employers are eligible?

Any employer (of any size) is eligible for the scheme. This includes:

- businesses
- charities
- recruitment agencies (if the agency workers are paid through PAYE)
- public authorities.

To be eligible the employer must have created and started a PAYE payroll scheme on or before 19 March 2020 and have a UK bank account and must have placed employees on at least a 3-week furlough period by 10 June 2020.

Where a company is in administration, the administrator can access the [Coronavirus Job Retention Scheme](#).

More information is available on the [government website](#) and further details of the extended flexible scheme are expected. The situation is evolving rapidly and future regulations and guidance should be checked frequently.

Public sector

The government did not anticipate much public sector use of the scheme because many public sector employees are continuing to work throughout the coronavirus outbreak.

Non-public sector employers who receive public funding for staff costs are expected to continue to pay staff and not to place them on furlough. However, the furlough scheme may apply to some staff who could not be redeployed to assist with the coronavirus response.

Which employees are eligible?

The employees that can agree to being furloughed are those working for employers whose businesses have been severely affected by coronavirus.

The furloughed employees must have been on the employer's PAYE payroll on 19 March 2020, including:

- full-time employees

- part-time employees
- agency employees on agency contracts (provided they are not working at all)
- zero-hour contract workers (provided that they are employees albeit on flexible contracts).

For new employees who were not on the employer's payroll on 19 March 2020 or who were not furloughed on or before 10 June complexities arise - see our [FAQs on placing new employees on furlough](#).

There are also complexities for employees who have been:

- shielding due to being clinically extremely vulnerable
- on sabbatical or unpaid leave
- recently made redundant or laid-off
- are pregnant or on maternity leave or adoption/paternity/shared parental leave pay
- caring for children
- migrant workers.

See our [FAQs](#) for more information on these specific situations.

Employees who have been on sick leave can be placed on furlough leave after the period of sick leave has ended if there is no work for them to do. Employees who are shielding themselves in line with government advice can also be placed on furlough or sick leave.

Does furlough only apply to those at risk of redundancy?

When the coronavirus job retention scheme was launched in March the first set of guidance said the scheme applied to employees who “would otherwise have been made redundant or laid-off”. However, this changed, and the original reference to redundancy and lay off in the [government guidance for employers](#) was replaced with wording which says that coronavirus must have “severely affected” the employer’s business operations. This means there is no specific requirement for furlough to be offered only if there is an underlying risk of redundancy. However, any redundancy process is likely to be unfair if the employer does not at least consider furlough as a potential alternative at the planning stage. On the government portal for making a claim employers confirm they are claiming the costs of furloughed employees due to health, social and economic emergencies resulting from coronavirus.

Due to the evolving nature of the guidance employers should keep copies of furlough agreements and written evidence to show that their operations have been negatively affected by coronavirus. Further information on record keeping requirements is summarised below.

The [employee section of the guidance](#) adds that employees can be furloughed if their employer has no work for the employee to do or where an employer is unable to operate.

Employees who work elsewhere

Employees with two or more employers can be furloughed for each job separately but the £2,500 cap applies to each employer individually. This means that an employee with two jobs can have 80% of their salary reimbursed with a cap of £5,000, or more, if the employers both top the salary up above the grant level.

As far as the grant scheme is concerned employees can be furloughed from one job and receive their 80% furlough payment, then work for another employer during the hours they would normally be working for the employer who has furloughed them. The legal position is different concerning what is permissible under the scheme, and the employer's normal ability to restrict working elsewhere:

Coronavirus Job Retention Scheme

Furloughed employees can work for their employer part time after 1 July and will be paid normally by the employer (who must not claim furlough pay for the hours staff worked). If furloughed employees work for another employer during the hours they would normally be working for the employer who has furloughed them payments by HMRC will be paid even if the employee picks up other work. The employee will receive the furlough payments from the first employer and their normal wages from the new employer. Employees are only prevented from doing any work but only for the same employer that has furloughed them up until the end of June.

General legal position on working elsewhere

The scheme may pay a grant for the furloughed employee, but this is a different legal issue to the relationship between the employer and employee. In many employment contracts there is either an express or implied term that the employee should loyally and faithfully work for that employer and not work elsewhere.

It could technically be breach of contract with the employer if employees pick up work elsewhere. Similarly, it could be a breach of contract, including a breach of mutual trust and confidence, if the employer unreasonably refuses consent, especially if the employer only allows furlough on 80% pay.

Example

For example, two full-time employees have contracts with similar express restrictions on working elsewhere. The contracts say the employees must faithfully serve the employer and are prohibited from taking up additional work or directly or indirectly engaging in any competing business.

Employee A earns about £2,000 a month as an assistant for a film location company which

has temporarily closed. He is furloughed on 80% of pay, receiving approximately £1,600. To supplement the furlough pay he takes a temp job as a supermarket delivery driver earning a further £2,000 per month (in addition to the furlough payment). The original employer should evaluate this and as there is no business threat can agree to the employee's proposed second job.

Employee B earns £6,000 per month as a business developer for a financial services company. She is furloughed on the maximum £2,500 payment but the employer does not top this up. Employee B is concerned that she will not meet all her outgoings and takes a temp development job with a similar company earning £4,000 per month. The employer is concerned as there is a threat to its business by working for a competitor. If the employer refuses consent to the employee's proposed second job Employee B can seek another role or may try to refuse to agree to being furloughed given the pay cut, especially if some other colleagues have not been furloughed and are receiving their full salaries. The employer then has a choice to pay the full salary, or reverse the furlough decision, or perhaps commence a redundancy process.

Ultimately what happens may be a question of negotiation between the employer and employee. Employees do have to agree to being furloughed, unless there are lay off provisions in their contract, so an informed employee may say they only agree to being furloughed and taking a pay cut if the employer agrees to them working elsewhere during their normal working hours. The safest course of action is to agree with the employee the nature and length of any other work that may be done, ideally in writing. Employers may ask employees to agree new or reconfirmed restrictions on working elsewhere, especially if for a competitor. The employer may agree to furloughed employees working in limited sectors, for example, food, health and social care or other essential services. Special rules also govern volunteering.

Business owners and partners

Owners of small businesses who pay themselves a PAYE salary are covered under the furlough scheme. The scheme does not apply to dividend payments so director-shareholders who are paid partly or mainly in dividends will only be covered to the extent that they receive PAYE earnings.

The [Coronavirus Self-employment Income Support Scheme](#) provides a similar sort of support to those not eligible under the job retention scheme. This means self-employed directors with taxable profits below a £50,000 annual threshold whose business has been adversely affected by coronavirus can apply for support under the self-employment scheme. The scheme has been extended beyond June.

First Grant: between 13 May and 13 July 2020 eligible self-employed people can claim a taxable grant of 80% of average monthly profits for a total 3-month period capped at

£7,500 in total.

Second and final Grant: From a date to be specified in August eligible self-employed people can claim a taxable grant of 70% of their average monthly trading profits, paid out in a single instalment, again covering 3 months' worth of profit, capped at £6,570 in total.

Any individual does not need to have claimed the first grant in order to be eligible for the second and final grant, as long as they meet the qualifying criteria.

Salaried partners who are paid through the PAYE payroll are eligible under the furlough scheme. Partner owners and LLP members who are treated as self-employed (and not paid through the PAYE payroll) will not be covered. Like directors, self-employed partners with taxable profits below the annual threshold may be eligible to apply for support under the self-employment scheme.

How to agree which employees are furloughed

Employees must be consulted and have to agree to be furloughed.

Changing the status of employees always is subject to existing employment law so it's important to bear this in mind. Depending on the employment contract wording there may be an ability to lay-off workers to impose a furlough period.

If there is no lay off provision in the existing contract the employer will need to agree with the employee that they are going to become furloughed because no work is available. Employers will also need to check their furlough agreements comply with the details of the extended flexible furlough scheme and agree ongoing terms with employees unless the original furlough agreement covers the extended period. The extent of any work to be undertaken after 1 July and payment terms will have to be agreed. Most employees will agree to furlough if alternative is dismissal by reason of redundancy (with the possibility of a delayed redundancy payment or only a notice payment for employees who have worked for less than two years).

In some cases, the unions may join in a collective consultation process to agree the furlough change. As normal employment laws apply when furloughing employees, equality and discrimination laws will apply and so employers will need to be aware of certain risks, for example, choosing a disproportionate amount of men, women, disabled or older staff which could lead to discrimination claims later.

In a minority of cases there may be some negotiation, as for some employers some staff may be needed and others not. Some employees may be resentful that they are having to work as they are classed as being essential whilst others are being furloughed on 80% of salary. Others may be resentful that they are classed as dispensable whilst others are

working and receiving their full package.

It may help to select employees for furlough using a process like redundancy selection (for example, using objective criteria, such as a scores matrix based on skills, productivity, previous appraisals etc). Discuss all of the available options with employees and stay up to date with the latest on the [Government website](#).

If employees do not agree to be furloughed then employers can dismiss them by reason of redundancy (if the redundancy definitions are met and a proper process is followed).

How to apply to the scheme

The ability to furlough employees under the Coronavirus Job Retention Scheme has been operational since 20 April. Employers can apply on the Gov.uk website and use the [step by step guidance](#) to help them make their claim. The scheme is backdated and will apply from 1 March until the end of June on its current terms and then until October in its modified flexible form. Employers will be able to make their first claim under the new scheme from 1 July. From this date employers who previously claimed for periods that overlapped calendar months can no longer do this because of changes to the scheme.

Once employers have reached an agreement with employees about being furloughed, they should write to the affected employees confirming that they have been furloughed and should keep a record of this for six years.

Employers access the scheme through an online portal, providing details of the affected furloughed employees and information about their earnings and any other information required (such as the employee's NI number). Guidance on [how to calculate 80% of employees' wages](#) and [step by step guidance on making a claim](#) are available on the Government website and further guidance on how to calculate the 70% and 60% figures will follow.

Employers should take the following steps prior to making a claim:

- Design a furlough process and agree a furlough policy. This should involve employees (or union representatives) to aid agreement to any changes.
- This policy should be reviewed and updated in line with the Government extensions to the scheme. A template policy from HR-inform is available on the support materials page.
- Decide which employees are affected perhaps using criteria similar to redundancy selection.

- In the first phase decide whether to pay 80% of salary or to supplement it. You can use the [Gov.uk guidance](#) on calculating 80% salary to help make your decision.
- Decide on the length of the claim period, what to include when calculating wages and employees' usual hours and furloughed hours.
- During the further phase of the scheme employers will be obliged to supplement the salary, starting with employer NI contributions in August and increasing to 10% and 20% of salary in September and October respectively.
- During the further phase of the scheme employers should agree flexible working hours or patterns and keep these agreements and records (see below).
- Select who will be flexibly furloughed, avoiding all forms of discrimination, especially sex, age and disability.
- Plan for what will happen when the furlough scheme ends on 31 October.

Written agreements

Employers should gain the employees' written consent to furlough, even if contractual provisions already cover lay off; express agreement is advisable especially if salary is not being topped. Employers must stop employees from working before the end of June, and agree any terms relating to part-time work between July and October, confirming this in writing. The number of employees an employer can claim for between these months must not exceed the maximum number claimed for previously under the original scheme.

Record keeping

Record keeping requirements mean as well as furlough agreements employers must keep records of the following for six years:

- the amount claimed for each employee
- the claim period for each employee
- the claim reference number
- calculations (in case HMRC need more information about the claim)
- usual hours worked, including any calculations for flexibly furloughed employees
- actual hours worked for flexibly furloughed employees.

Employers should keep evidence to show that their operations have been negatively affected by coronavirus and the effect this has on their workforce, such as evidence to show lack of work available, show that each furloughed worker has no work, or that the employee was furloughed for another reason arising from coronavirus (for example they

live with a person who is shielding or cannot work due to childcare commitments).

Other steps

Other necessary steps to prepare to make a claim include:

- Checking communication details with employees to update them, perhaps with a list of answers to key questions such as what happens to discretionary payments, volunteering, part-time working after 1 July, working elsewhere etc.
- Calculate the amounts they are claiming from HMRC, using the [Gov.uk guidance](#). To work out what amounts they are claiming employers will have to work out the total amount being paid to furloughed employees, as well as employer NI and minimum automatic enrolment employer pension contributions for all employees.

To make a claim, employers must apply with the following information:

- number of employees being furloughed
- claim period (start and end date of furlough period)
- full amount being claimed
- calculations (in case HMRC need more information about the claim)
- usual and actual hours worked (for flexibly furloughed employees)
- full name and NI number of each furloughed employee
- employer PAYE scheme reference number
- the claim number, employer's Corporation Tax Unique Taxpayer reference, Self Assessment Unique Taxpayer reference or Company Registration Number (as appropriate)
- employer's UK bank details
- employer's registered name and address.

Employers with more than 100 employees will need to upload this information in one of the following formats; XLS, XLSX, CSV, ODP.

Employers will need a Government Gateway ID and password and an active PAYE enrolment to access the system to make a claim.

Applications needs to be made in one session as there is no save and return option so employers should ensure they have all of the necessary information before they start to make a claim. There is guidance under the flexible extension to the scheme about errors made when claiming, which includes notifying HMRC if there has been an overpayment so that a reduction can be made in a subsequent claim amount.

After following the steps to make a claim online, employers should ensure they take a

note of their claim reference number (as there won't be a confirmation email). Employers should inform furloughed employees that you have made a claim but make clear to them that they do not need to take any action; they will receive their pay as normal.

Step by step guidance on making a claim can be found on the government website.

Timing

Employers are advised by the government to claim in advance of an imminent payroll or at the point when they run their payroll. Employers cannot make more than one claim during a claim period; you need to claim for all employees in each period at one time as it is not possible to make changes to a claim. Under the flexible scheme from 1 July employers can continue to make claims in anticipation of an imminent payroll run, at the point payroll is run or after payroll has been run.

HMRC will retain the right to retrospectively investigate and audit employers' claims.

Once HMRC have the claim and agree the employer's eligibility a BACS payment will simply arrive directly into the bank account supplied in 6 working days after making an application; this means employers will need to submit a claim at least 6 working days in advance for the money to clear into their bank account. HMRC have advised employers not to contact them unless 10 days have gone by.

Claim periods

Employers make a collective claim for the group of furloughed employees under the scheme (not for individual employees) but employers will probably need to make more than one claim throughout the entire period of furlough. In the first phase of the scheme employers submitted one claim at least every three weeks (as three weeks was the minimum length of time an employee can be furloughed for). Employers have until 31 July to make any claims in respect of the period until the end of June. Under the flexible scheme it is easiest to make claims monthly, but employers must report and claim for at least a minimum period of a week. As this is a minimum period, those claiming on monthly or fortnightly cycles can do so.

Under the flexible scheme employers will have to:

- calculate the claim for the hours employees do not work by reference to their usual hours worked in a claim period
- report hours worked
- report the usual hours an employee would be expected to work in a claim period.

Employers pay employees for worked hours in accordance with their employment

contract and any subsequent agreements. Employers must pay the tax and NICs due on those amounts in the usual way. Further Government guidance on flexible furlough and how to calculate claims is available on the [Government website](#).

What happens during furlough?

Length of furlough

The minimum furlough period in the first phase of scheme is three consecutive weeks. Under the flexible scheme it appears the minimum period is one week but this is yet to be confirmed. The original Government scheme runs until the end of June on its current terms and then until October in a modified form.

Working

People who get furloughed must not work for the employer during the furlough periods that fall before the end of June. In the second phase of the scheme between July and October employees are permitted to work for the employer and the employer pays for hours worked. After furlough employees will usually return to their job afterwards (unless redundancies follow).

Pay

Under the scheme furloughed workers will receive either 80% of their regular wage or £2,500 per month, whichever is lower. In the first phase of the scheme until the end of June employers can choose to top up the employee's salary above 80% but they are not obliged to. In the subsequent phases until the end of October employers must start to make some payments. From 31 July employers will pay employees' NI and pension contributions, even for the hours the employee does not work. Employers will continue to do this and top up the reduced Government grant to 80% in September and October. All of the monies paid by the Government must be paid to the employee, plus any top up the employer is paying. Employers must not divert any part of the reclaimed grant, for example by deducting administration charges.

Regular payments of wages, variable PAYE wages, fees, and compulsory payments including commission and bonuses, are included when working out the 80%, 70% or 60% figure.

However, current government guidance has confirmed that payments at the discretion of the employer such as discretionary bonuses and commission payments are excluded. Tips, tronc shares, and non-cash payments such as health insurance or use of a company vehicle should be excluded as well.

This means that the following payments are included when working out the 80% share:

- Regular wages
- Variable PAYE wages
- Fees
- Compulsory bonuses
- Compulsory commissions

While the following payments are excluded:

- Discretionary bonuses
- Discretionary commission
- Tips
- Tronc shares
- Non-cash payments such as health insurance
- Use of a company vehicle.

Employers who furlough employees can also claim employers' national insurance payments and minimum pension contributions up until the end of July.

For regular salaried employees, employers should base calculations on actual salary before tax, as at 19 March 2020. For employees with variable pay employers can claim the higher of either:

- the same month's earning from 2019; or
- average monthly earnings from the 2019-20 year.

If an employee with variable pay has been employed for under a year employer can claim for an average of monthly earnings since they started work. For workers who only started part way through February 2020, the wage will have to be taken pro-rata.

The furloughed employees are unlikely to receive £2,500 exactly. Employees who earn under £3,125 a month will receive less than £2,500. This is because for those earning £3,125 a month, 80% of salary would be £2,500:

- Employees who earn less than £3,125 a month normally, will get 80% of their salary for three months (or more) under the original scheme.
- Employees earning in excess £3,125 a month will have the £2,500 cap applied. These employees will receive less than 80% of their salary for those three months (or more) unless the employer chooses to supplement it.
- The £2,500 a month figure was presumably chosen as it is broadly £30,000 a year which is the national median net salary.

Guidance on calculating payment amounts and calculation examples are now available on the [Gov.uk website](https://www.gov.uk). For more information see the FAQs on national insurance and pensions for more information.

Employers will receive a grant to cover part of the salaries of any employees who would otherwise have been dismissed. Employers do not have to pay this grant back. Employers must pay over the entire grant received to the furloughed employees, plus any top up payment they are choosing to pay.

Annual leave

If furloughed workers do not book any holiday time their statutory minimum holiday entitlement of 5.6 weeks per year will accrue while they are furloughed. The exact amount will vary depending on how much leave the employee has already taken. Employers can ask for employees to agree to any contractual (as opposed to statutory) holiday not to accrue during furlough.

Special provisions govern the current situation which mean that workers can carry-over up to four weeks' holiday into the next two holiday years. The interrelationship between leave and furlough is legally complex and employee guidance confirmed that employers have to top up pay to 100% for any employees who take annual leave during furlough. It is thought that employers can insist employees take holiday during the furlough, provided the appropriate notice is given. In this situation employers would then have to pay the holiday pay in full and could claim for the 80% (or 70% or 60%) grant towards this. More information is available in the [FAQs](#).

Training

If employees are required to complete any job-related training while they are on furlough leave (which is permitted as long as it doesn't involve them in providing services to, or generating revenue for or on behalf of their organisation) they should be paid at least the National Minimum Wage rate. Similarly, apprentices should receive at least the National or Apprenticeship Minimum Wage or the National Living Wage.

Communicating with staff who are furloughed

Communication with staff during furlough presents employers with some issues. Furloughed staff must not work for their employer until the end of June. If the employees do any work before the first phase of the scheme ends at the end of June this may jeopardise the employer's claims for the Government grant. On the other hand, an employer's duty of care for employees continues during furlough so employers must maintain non work-related contact furloughed staff to discuss any personal matters, including their health and well-being, and to allow employees to ask any questions or

raise concerns. Contact also helps maintain furloughed employees' loyalty and engagement so that they can return to work smoothly after the lockdown. Contact should be arranged ahead of time, so it is expected. Here are some key considerations:

- Furloughed staff should be given an HR contact, in case any HR-related questions or concerns arise (for example sickness, pregnancy).
- Government guidance does not address the use of work email, and so employers must use their discretion. Any work, including online team meetings, checking work related emails and forwarding them on, could count as work at least prior to the end of the first phase of the scheme at the end of June. If organisations choose to communicate with furloughed employees through existing email systems, the employer must ensure that employees do not log on to undertake any work at all. There must be no provision of any services or any revenue generated for the employer or for any linked or associated organisation.
- To ensure furloughed employees do not undertake any work before the end of June it may be easier to limit access to work emails, with a mechanism for incoming emails to be monitored and diverted. Employers can then switch to personal email for their own communications, checking that employers have up to date details (including current personal email and postal addresses) for each employee. This makes it harder for employees to work and creates clear a distinction between furloughed employees and those who are still working.
- Some employees use work laptops, telephones and emails for personal matters so employees can still be allowed to use their devices, but employees must not send or respond to any work-related matters while furloughed at least until the end of July.
- You should also advise employees on what to tell clients/customers. Keeping in touch with key customers or suppliers is permissible if purely social but it could amount to work even if personal emails are used. This could jeopardise the furlough payment so employers must decide how they want to proceed.
- Employers should have established a communication plan for furloughed employees and should outline how often employees can expect to hear from the organisation. Employers can set different means of communication (besides email) including a specific temporary website section for keeping in touch newsletters and well-being communications. Employers should make it clear these communications are not related to the provision of services or generation of revenue. This could include employee assistance programme information to assist employees with health, mental, and emotional well-being. A dedicated furlough support site ensures furloughed staff don't feel forgotten and can access any furlough Q&As, guidelines and updates. Surveys may be another useful tool to deal with any issues and feedback.
- Purely social contact is acceptable so social platforms can help furloughed employees keep in touch. Telephone contact between team members is also permissible as long as no work is undertaken. A strong, positive corporate culture

can keep employees connected without them undertaking actual work.

- Employers may wish to keep furloughed staff updated via their public social media platforms. This method should be carefully considered, as these communications may be seen by wider audiences and the overall effectiveness of these channels may be impacted.
- Furloughed directors and owner-managers can continue carrying out statutory duties but must not generate commercial revenue or provide services to their own business, or other businesses.

Remember, breaching any of the above rules could jeopardise the employer's ability to claim the grant, at least until the end of June when the flexible scheme permits a partial return to work for furloughed staff.

For information on communication with employees for the purposes of collective and individual redundancy consultation see our [guide](#) on how the Coronavirus Job Retention Scheme impacts on redundancy procedures.

Returning to work

The scheme applies until the end of June on its original basis and on the different flexible basis until the end of October. Employees can be moved in and out of furlough and you can refer to our [Returning to the workplace guide](#) for more information.

For more information check our [FAQs on furlough](#) or our [webinar series](#) which has sessions on furlough.

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