

JLP NEWSLETTER

What's the deal with Furlough??

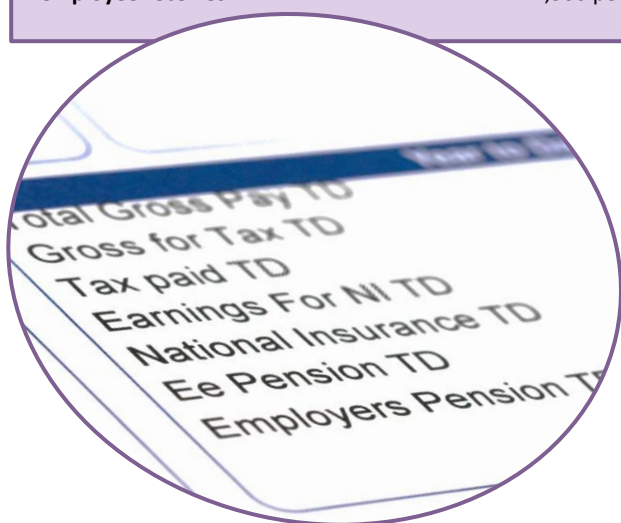
Previously available until the end of April, furlough benefits have now been extended until the end of September 2021, with conditions.

Moving forward, from 1 July 2021, the level of grant will be reduced and you will be asked to contribute towards the cost of your furloughed employees' wages. To be eligible for the grant you must continue to pay your furloughed employees 80% of their wages, up to a cap of £2,500 per month for the time they spend on furlough.

This means that, during the faze out period, as the government will reduce the percentage of their contributions in turn you will have to fund the remaining amount up to 80%.

The table below shows the level of government contribution available in the coming months, the required employer contribution and the amount that the employee receives per month where the employee is furloughed 100% of the time. For more information go to: [Changes to the Coronavirus Job Retention Scheme from July 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/changes-to-the-coronavirus-job-retention-scheme-from-july-2021)

	May	June	July	August	September
Gvmt. Contribution: wages for hours not worked.	80% up to £2,500	80% up to £2,500	70% up to £2,187.50	60% up to £1,875	60% up to £1,875
Employer contribution: employer NI contributions & pension contributions	Yes	Yes	Yes	Yes	Yes
Employer contribution wages for hours not worked	No	No	10% up to £312.50	20% up to £625	20% up to £625
For hours not worked employee receives	80% up to £2,500 per mth	80% up to £2,500 per mth	80% up to £2,500 per mth	80% up to £2,500 per mth	80% up to £2,500 per mth



BONUS NEWS

The Government Bonus scheme which was originally due to be paid on 15 Feb, has been postponed, because of the extension to the furlough grant. **There will be a bonus scheme, however, there is no information regarding what the criteria will be for future eligibility. We will provide details as soon as they are announced.**

[Originally, following the end of the previous scheme at the end of October 2020, the bonus scheme was intended as an incentive for employers to retain staff. In order to qualify employees were to be employed for the months of Nov, Dec and Jan and earn over £1560 gross for each of those months. For all qualifying staff the government would have paid £1000 per person on 15 Feb 2021.]



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