



Furlough Scheme changes announced in the Budget

The Coronavirus Job Retention Scheme has changed again, for what is likely to be the last time.

The end date for the scheme will be 30 September 2021, at which point if all goes to plan the UK will be three months clear of lockdown and social distancing restrictions and back to something much closer to normal.

However, the extension to the furlough scheme does not come without a cost to employers. Any business using the scheme in July, August or September will need to pay a contribution towards salary as well as continuing to pay employer's NI and pension contributions. The minimum 80% of salary received by employees (capped where appropriate) will not change.

The following table sets out the key rates for an employee whose wages are not being topped up above 80%:

Furlough Claim Period	% of salary received by the Employee	% of salary recoverable from the Government	% of salary paid by the Employer
March to June 2021	80%	80%	0%
July 2021	80%	70%	10%
August and September 2021	80%	60%	20%

If you have any questions about the Coronavirus Job Retention Scheme our expert employment solicitors are here to help. You may need help with furlough calculations, or perhaps you are considering bringing a furlough period to an end and want to discuss the next steps. Contact us today for friendly, expert advice from the team.