Furlough and the Coronavirus Job Retention Scheme

During the coronavirus (COVID-19) pandemic, employers could agree to put some or all of their staff on temporary leave (‘furlough’). This included ‘flexible furlough’, where an employee worked some of their hours and was put on furlough for the hours they did not work.

When someone was put on furlough:

- there was a temporary contractual agreement between the employer and employee
- employers could use the Coronavirus Job Retention Scheme (CJRS) to claim a percentage of each employee or worker’s usual wages

The Coronavirus Job Retention Scheme ended on 30 September 2021.

Go to GOV.UK to:

- check a previous claim you've made through the Coronavirus Job Retention Scheme
- find out more about the Coronavirus Job Retention Scheme

How much staff were paid during furlough

Employers had to pay staff on furlough 80% of their usual wages up to £2,500 per month – or more if that had been agreed with the employee.

Pay during furlough was taxable in the same way as someone’s usual pay would be.

Topping up wages to 100%

The employer could decide whether they’d top up employees’ wages to 100% when they were on furlough, but they did not have to. If the employer decided not to top up the wages, they should have explained why.

Minimum wage during furlough

If staff on furlough were paid 80% of their wages, this might mean they got less than the minimum wage. This was allowed as long as they were not working or doing work-related training. For example, training that made money or provided a service for their employer or an organisation linked to their employer.

If someone did work-related training while on furlough

If someone did work-related training, the employer must have paid them at least the National Minimum Wage or the National Living Wage during their pay period. In most cases, furlough pay would have been enough for these hours. If not, the employer must have topped up their furlough pay.

Check the minimum wage rates
After furlough

When an employer and employee's furlough agreement ended, they should have returned to their earlier contractual arrangements.

Changes after furlough

If changes in the organisation are being considered, employers should discuss and agree them with employees and their representatives (for example, a recognised trade union).

It's important to follow the usual processes for:

- changing an employment contract
- redundancy

Returning to the workplace

If an employer plans for staff to return to the workplace, they should consider:

- flexible working arrangements
- making reasonable adjustments
- keeping the workplace safe
- how the workplace might reopen

Find out more about planning to return to the workplace

If people have been on furlough for a long time

Employers should be considerate to staff who are returning to work.

They should consider:

- employee wellbeing, including mental health
- giving employees time to adjust to being back in work
- offering training or refresher courses

If an employee has any concerns about returning to work, they should raise them with their line manager or employer.

Checking holiday pay

When someone who was on furlough took paid holiday, they should have received holiday pay based on what they would usually earn if they were working.

Find out more about calculating holiday pay

Redundancy pay and notice pay

When calculating statutory redundancy pay or statutory notice pay for staff who have been on furlough, the employer must use the employee’s full normal pay, not their reduced furlough rate.
Find out more about:

- furlough and notice pay
- staff redundancy rights and pay
- working out redundancy pay for employees

**Furlough agreements**

Employers must:

- keep the agreement for 5 years
- keep a written record of how many hours someone works and how many hours they were on furlough (not working)

Both employers and employees might need this information in future to calculate holiday pay, notice pay or redundancy pay.

**Other financial support for employers**

Employers may be able to get financial support through other government schemes.

Acas is not able to advise on these schemes.

The schemes include regional support for businesses affected by the pandemic, and one-off grants for some sectors.

To find out more:

- in England, see [financial support for businesses on GOV.UK](https://www.gov.uk/)
- in Scotland, see [coronavirus support and advice for businesses on FindBusinessSupport.gov.scot](https://www.findbusinesssupport.gov.scot/)
- in Wales, see the [business support finder from Business Wales](https://www.businesswales.com/)

Page 3