

FE WEEK

FE and the Job Retention Scheme Aka : Furloughing

Nick Linford

Monday 4 May

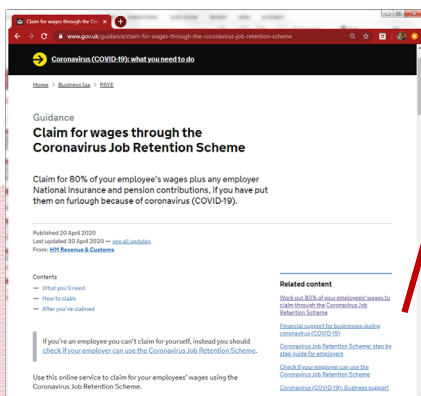
Have a question?

Please use the comment box to submit your question. Nick will review all incoming questions and try to ask as many as possible during the session.

Claiming wages through JRS

Published Friday 24 April

Claiming for 80% of employee's wages - up to a maximum of £2,500 a month per employee (until end of June)



[Work out 80% of your employees' wages to claim through the Coronavirus Job Retention Scheme](#)

[Financial support for businesses during coronavirus \(COVID-19\)](#)

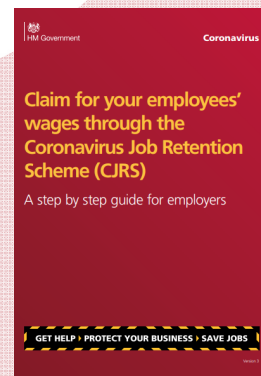
[Coronavirus Job Retention Scheme: step by step guide for employers](#)

[Check if your employer can use the Coronavirus Job Retention Scheme](#)

[Coronavirus \(COVID-19\): Business support](#)

Collection

[Financial support for businesses during coronavirus \(COVID-19\)](#)

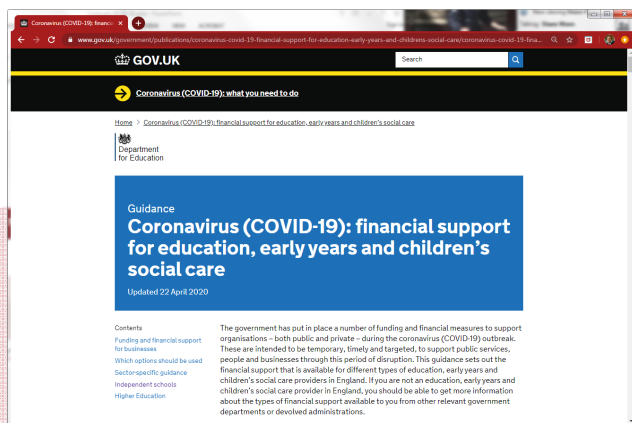


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<https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme>

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Furloughing for FE employees



“No organisation should profit from the exceptional financial support available, and should therefore only access the support required. For example, organisations which continue to receive government funding should not furlough staff whose salaries that funding could typically be considered to fund, and therefore will not need to access the Coronavirus Job Retention Scheme (CJRS).”



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<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care>

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Furloughing for FE employees

Further education and apprenticeships

Further education and apprenticeship providers include further education colleges, sixth form colleges, designated institutions, independent training providers, adult and community learning providers, and higher education institutions to the extent that they provide further education or apprenticeships. They are funded in 3 main ways: by grant; under a direct contract for services with ESFA; or through a funding agreement with the ESFA (where provision is delivered under a contract for services between a levy paying employer and an apprenticeships training provider, or advanced learner loan funded learning).

Levy (specifically on ASA) and advanced learner loans not treated as public funds - so financial support would include furloughing staff



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<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care>

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Furloughing for FE employees

We recognise that many providers rely on funding from a mix of public sources and other income streams such as fees, employer contributions and commercial income. Where public income has reduced or non-public income has ceased or reduced, it may be appropriate for providers to seek support from the Coronavirus Job Retention Scheme to furlough staff. Providers should only furlough employees if they meet the following conditions:

- the employee works in an area of business where services are temporarily not required and whose salary is not covered by public funding
- the employee would otherwise be made redundant or laid off
- the employee is not involved in delivering provision that has already been funded
- (where appropriate) the employee is not required to deliver provision for a child of a critical worker and/or vulnerable child
- the grant from the Coronavirus Job Retention Scheme would not duplicate other public grants received and would not lead to financial reserves being created



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<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care>

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Furloughing for FE employees

If it is difficult to distinguish whether staff are funded through continuing public funding, for the purposes of meeting the first 3 conditions listed above, then the total proportion of teaching and non-teaching staff (based on gross payroll) that are retained (for example, not furloughed) should, as a minimum, be equivalent to the continuing public income, as a proportion of all income that the provider usually receives. For example, if the only source of public funding is through a grant, and non-grant income makes up 25% of total income, then this should be the total maximum proportion of staff (based on gross payroll) that could be furloughed.



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<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care/coronavirus-covid-19-financial-support-for-education-early-years-and-childrens-social-care>

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Furloughing for apprentices

Furloughed apprentices

The Coronavirus Job Retention Scheme allows employers to claim for 80% of furloughed employees' (employees on a leave of absence) usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions, and minimum automatic enrolment employer pension contributions on that wage.

A furloughed employee can take part in volunteer work or training, as long as it does not provide services to or generate revenue for, or on behalf of the employer. Training in this context includes apprenticeship off-the-job training.

Where their provider can continue to deliver training remotely, a furloughed apprentice can therefore continue their apprenticeship whilst furloughed.

Where training is undertaken by furloughed workers, at the request of their employer, workers are entitled to be paid at least the appropriate minimum wage for this time. In most cases, the furlough payment of 80% of a worker's wage, up to the value of £2,500, will provide sufficient monies to cover these training hours. However, where the furlough payment does not meet the appropriate minimum wage for the time spent training, employers will need to pay the additional wages.

Read [HMRC's Coronavirus Job Retention Scheme guidance](#).

“Where the furlough payment does not meet the appropriate minimum wage for the time spent training, employers will need to pay the additional wages.”

| Wage band | Current rate from 1 April 2020 | Previous rate (April 2019 to March 2020) |
|-------------|--------------------------------|--|
| 25 and over | £8.72 | £8.21 |
| 21 to 24 | £8.20 | £7.70 |
| 18 to 20 | £6.45 | £6.15 |
| Under 18 | £4.55 | £4.35 |
| Apprentice | £4.15 | |

> aged under 19
> aged 19 or over and in the first year of their apprenticeship



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<https://www.gov.uk/government/publications/coronavirus-covid-19-apprenticeship-programme-response/coronavirus-covid-19-guidance-for-apprentices-employers-training-providers-end-point-assessment-organisations-and-external-quality-assurance-pro>

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Furloughing for apprentices

Example

An apprentice aged 22 in the first year of their apprenticeship is entitled to a minimum hourly rate of £4.15.

Example

An apprentice aged 22 who has completed the first year of their apprenticeship is entitled to a minimum hourly rate of £8.20.



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<https://www.gov.uk/national-minimum-wage-rates>

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Summary

FE staff can be furloughed *if* not double public funded (apprentices on digital system and loan not classed as public funding)

Apprentices furloughed can continue funded learning *if* time spent training is no lower than the relevant minimum wage



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