

FURLOUGH PAY

PAYE/PEO



How is my furlough payment calculated?

Current Government Guidance states that if you've been employed for less than a year, employers will claim for an average of your monthly earnings since you started work.

Week Ending	Weekly Pay
12/07/2019	£600.00
19/07/2019	£480.00
26/07/2019	£360.00
27/09/2019	£120.00
04/10/2019	£600.00
11/10/2019	£500.00
18/10/2019	£240.00
25/10/2019	£240.00
22/11/2019	£480.00
29/11/2019	£480.00
07/02/2020	£600.00
14/02/2020	£120.00
21/02/2020	£120.00
28/02/2020	£600.00
	£5,540.00

How does it work?

Government guidance is to calculate the average weekly income during the qualifying period (05/07/19 to 28/02/2020).

There are 35 weeks during this time period.

£5,540.00 / 35 weeks

= £158.29 (Average weekly income during qualifying period)

80% of £158.29

= £126.63 (80% of your average income over this period)

Furlough pay per week = £126.63

(Before tax, NI and pension deductions)

Excerpt from Government Guidance:

How your monthly earnings are calculated

If you've been employed (or engaged by an employment business in the case of agency workers) for a full year, employers will claim for the higher of either:

- The amount you earned in the same month last year
- An average of your monthly earnings from the last year
- If you've been employed for less than a year, employers will claim for an average of your monthly earnings since you started work. The same arrangements apply if your monthly pay varies such as if you are on a zero-hour contract.
- If you started work in February 2020, your employer will pro-rata your earnings from that month.
- Bonuses, commissions and fees are not included as part of your monthly earnings.