



Dear colleague,

We are pleased to confirm that you will be receiving your June payment on Thursday 25<sup>th</sup> June. We appreciate that you may have some questions on this and we have tried to anticipate some of these below.

These are difficult and anxious times and the payroll team want to help and support you with your queries and concerns. At this time they are all working from home and limited resources are available, so some of their work is taking longer than it normally would. We would really appreciate your patience at this time and understand that we may not be able to answer all of your questions until we are able to return to the business.

### 1. How has my Furlough pay been calculated?

*Below shows what we have paid to furloughed colleagues so far and how we will pay May:*

- *In **March** – we paid all furloughed colleagues 100% of basic and 100% of variable pay earned in February*
- *In **April** – we paid all furloughed colleagues 90% basic and 100% of variable pay actually earned in March. Where this was lower than the Furlough Scheme calculated average, it was topped up.*
- *In **May** – we paid 85% of pay to furloughed colleagues for the furloughed period. This equates to 80% furlough pay and 100% pay for holiday the Company has required you to use during the furlough period. This also includes the May Bank Holiday(s) if you have been furloughed for these days and they fall on your normal working day.*
- *In **June** – we will pay 80% of pay to furloughed colleagues for the time period they are on Furlough for in June. This amount is capped at £2,500.00 and pay will be calculated pro-rata for any colleagues returning to work in June. The 4 days holiday (pro rata if applicable) as explained in point 4. These days will be paid at 100%.*

### 2. How will this show on my payslip?

Your basic salary will be shown on your payslip. If you are defined (in accordance with the Furlough Scheme rules) as a Variable Pay colleague, you will also see an amount under “Variable Pay Top Up”. This, added to your basic pay, will be your Variable Pay amount, under the JRS.

We have then applied a deduction under “Furlough Adjustment”, this will reduce your pay to the amount due to you under the Furlough Scheme, either 80% of pay or to the £2,500.00 cap.

#### Example 1: Colleague A: salary below £2,500 (CJRS Cap)

Salary	1,500
Minus ‘Furlough Adjustment’ (20%)	-300.00
Total 80% of Salary: 1,500 – 300 =	<b><u>1,200.00</u></b>

#### Example 2: Colleague B: salary above £2500 (JRS Cap)

Salary	4,000
Minus ‘Furlough Adjustment’ (4,000 – 2,500)	-1,500
Total 80% of Salary: 4,000 – 1,500 =	<b><u>2,500.00</u></b>

**3. My pay in May was calculated based on me being on Furlough until 31/05/2020, but, I returned to work before 31/05/2020. How will my pay in June be adjusted to reflect this?**

Any adjustments to pay relating to May will be paid as "Backpay" on your June payslip.

**4. I have been furloughed in June and have been told to take holiday – how does this work?**

During furlough leave you continue to accrue holiday entitlement in line with your 2020 annual entitlement. As at 30 June 2020 there will be circa 47,000 holiday days for our colleagues to use before the end of the holiday year i.e. 31 December 2020. As Daksh mentioned in his video, in order to ensure we have strong trading in the years 2021 and 2022, we will not be allowing the carryover of annual leave into subsequent years.

In order to alleviate the build-up of holiday to be taken once you return to work, the company required you to take the following leave:

2 days to be taken week commencing 15 June 2020

2 days to be taken in week commencing 22 June 2020

You will be paid at 100% of your salary (or average pay where applicable) for the holiday taken.

**5. Will I be required to take more holiday during furlough?**

It is our intention to review holiday leave throughout the furlough period and may require you to take further leave at a future date.

**6. Has my holiday record been amended on SelectHR?**

We have worked with Access, our SelectHR provider to complete this bulk task. This has now been adjusted as follows:

- Any holiday booked during the period you are furloughed has been removed and has credited your holiday balance.
- If you were furloughed in May, your holiday balance has been reduced by 5 days, pro rata for days furloughed, and if you are part time.
- If you were furloughed for 3 days or more (pro rata) during week commencing 15<sup>th</sup> June, your holiday balance will be reduced by 2 days pro rata). This will be updated on SelectHR by 30<sup>th</sup> June.
- If you were furloughed for 3 days or more during week commencing 22<sup>nd</sup> June, your holiday balance will be reduced by 2 days pro rata. This will be updated on SelectHR by 30<sup>th</sup> June.

**7. How has the June holiday reduction been calculated?**

*For those colleagues returning from Furlough absences in the period 17<sup>th</sup> – 23<sup>rd</sup> June 2020 2 days of entitlement will be removed (pro rata for those colleagues working less than 5 days per week or on hours/week contracts).*

- Examples:
- Colleague working 5 days per week = 2 days reduction (100%)
- Colleague working 4 days per week (80% of full week) = 1.5 days reduction (80% of 2 days)
- Colleague working 3 days per week (60% of full week) = 1 day reduction (60% of 2 days)

*For those colleagues returning from Furlough absences in the period 24<sup>th</sup> June 2020 and onwards 4 days of entitlement will be removed (pro rata for those colleagues working less than 5 days per week or on hours/week contracts)*

Examples:

- Colleague working 5 days per week = 4 days reduction (100%)
- Colleague working 4 days per week (80% of full week) = 3 days reduction (80% of 4 days)
- Colleague working 3 days per week (60% of full week) = 2.5 days reduction (60% of 4 days)
- Colleague working 2 days per week (40% of full week) = 1.5 days reduction (40% of 4 days)
- Colleague working 1 day per week (20% of full week) = 1 day reduction (20% of 4 days)

**8. The holiday I have been asked to take in June is being paid at 100% of my pay – how will this show on my payslip?**

Holiday will appear on your payslip under “Holiday Accrual” and any payment has been processed as a cash amount. The amount paid will increase your pay from 80% of pay (capped at £2,500.00) to 100% of your pay.

**Please Note: all calculations completed based on colleague information as at 18<sup>th</sup> June 2020 to achieve the payroll deadline. Any colleagues returning for furlough after this date will be adjusted in July.**