

Coronavirus Furlough Leave

Frequently Asked Questions

(Edition 2: 6 April 2020)

Important note:

The responses and updates in this edition of our FAQ document supersede our responses to any similar questions asked in previous editions of our FAQ's.

Further updates to this FAQ document will be made both in response to your queries and further Government updates. We kindly ask that you review the online document before submitting a query.

Please also read these FAQs in conjunction with your 'Confirmation of Coronavirus Furlough Leave' email and previous editions of the FAQ.

BACKGROUND TO 'FURLOUGH LEAVE' AND WHAT IT MEANS

1. What is 'furlough leave'?

Furlough leave is a temporary period of absence from work during which colleagues are placed on a period of leave and not required to work. However, the Government's support for companies and workers during the current coronavirus pandemic means that most furloughed employees are able to receive a proportion of their salaries during their temporary leave of absence.

Furlough leave is being supported by the Government through the 'Coronavirus Jobs Retention Scheme' (the 'Scheme') as a measure to protect employees' jobs during these unprecedented times.

2. Why am I being furloughed? Does this mean my work is not important?

Marshall is legally required to keep all its retail showrooms closed until further notice as part of the country's response to the coronavirus pandemic. The majority of our aftersales operations are also closed. Those aftersales operations that remain open are being sustained by reduced numbers of aftersales colleagues to support the emergency services, transport companies and key workers only.

The vast majority colleagues in our business work in our retail or aftersales businesses that are temporarily closed. In addition, Head Office roles principally support those revenue generating businesses. In order to avoid the company having to consider redundancies or enforcing unpaid leave as a result of the temporary closure of its businesses, over 90% of colleagues will be placed on furlough leave until further notice.

This does not mean your work is not important! It is simply a fact that whilst they remain closed, we cannot operate our businesses as usual.

3. Am I being made redundant?

No, absolutely not. You are being placed on temporary furlough leave while our businesses remain closed. You will return to your job when we are able to re-open our businesses.

4. Am I still employed by Marshall?

Yes. Whilst on furlough leave you remain employed by Marshall and on the Marshall payroll. You will return to your job once the business re-opens. It is important to note that whilst you are still employed by Marshall during this time, you are not required to work and will not be asked to work.

5. **Can I choose to be furloughed?**

It is for Marshall to determine whether colleagues are placed on furlough leave or not. This is based on the requirements of the business at this time. As stated above, over 90% of colleagues will be on furlough leave whilst our businesses remain closed. Colleagues who have not been placed on furlough leave are required to continue their work unless Marshall determines otherwise.

6. **Can I object to being furloughed?**

Marshall's standard contract of employment provides for it to place colleagues on temporary unpaid leave in the event of business interruption. In any event, the purpose of placing colleagues on furlough leave, and the support being provided to companies by the Government for this, is to prevent the need for companies to make redundancies as a result of the coronavirus pandemic.

WHAT CAN I DO/NOT DO WHEN I AM ON FURLOUGH LEAVE?

7. **Can I still work for Marshall during my furlough leave?**

Colleagues who are furloughed are not required to work in any capacity during their period of leave. You will not be asked to work, nor should you feel any obligation to work. This is very important. The Government's support for companies and workers at this time is dependent on employees not working. This means you should not be contacting customers, making calls to colleagues (other than social calls) or responding to work emails etc.

If you are a manager, you should not be contacting your team members or expecting them to work in any way.

If you are asked to do any work for Marshall during your furlough leave, please contact your line manager or your HR Business Partner immediately.

8. **If I am classed as a furloughed worker, can I work elsewhere to top up my salary?**

No, not automatically. Remember you are still a Marshall employee. If you wish to take an additional role elsewhere, a second job application would need to be made for consideration as per normal policy.

9. **Can I do voluntary work whilst classified as a furlough worker?**

Yes, but remember, our primary concern is for your health and wellbeing and would urge you to follow the Government advice on staying safe. Unpaid voluntary work can be undertaken whilst classified as a furlough worker. Please keep us updated us at hr@marshall.co.uk if you take part in any voluntary work.

HOW LONG WILL IT LAST?

10. **For how long will I be furloughed?**

At this stage we cannot confirm how long your furlough leave will last. This depends on when the Government permits us to re-open our businesses. Initially, colleagues will be furloughed for at least 3 weeks and we will monitor to situation continuously during that period.

11. **Can I be taken off furlough leave at any time?**

Yes, you can be taken off furlough leave at any time and be asked to return to the business to work. This may be to provide further support to our aftersales operations that remain open or to support sales activity should there be demand for it. It may also be required to cover any sickness or other absence for non-furloughed colleagues. In addition, it is possible that certain Head Office roles will need to return to work if there is work to be undertaken.

For the majority of colleagues, it is unlikely that you will be asked to return to work until we are able to re-open our businesses.

We will provide you with as much notice as we can of any requirement to return to work but there may be circumstances (e.g. in relation to sickness cover) where short notice may be required.

PAY DURING FURLOUGH LEAVE

12. Will I be paid during furlough leave?

Ordinarily, periods of furlough leave are unpaid. However, the Government introduced the Coronavirus Jobs Retention Scheme to enable UK employers to claim for up to 80% of furloughed employees' monthly wage costs, up to a cap of £2,500 per month.

The Scheme will initially operate until 31 May 2020 but the Chancellor has stated that it would be extended if necessary.

Marshall intends to apply for the Government grant under the Scheme.

13. What does that mean for me?

As we announced on 23 March, Marshall will be going further than the Coronavirus Jobs Retention Scheme to support furloughed colleagues during this period. The following arrangements will apply to you whilst you are on furlough leave:

- *For March 2020, you have been paid 100% of your basic pay;*
- *For April 2020:*
 - *you will receive 90% (rather than 80%) of your basic pay with Marshall funding the difference and 100% of commissions and bonus earned in March 2020, and;*
 - *if your monthly pay exceeds the £2,500 per month cap under the Scheme, Marshall will fund the difference up to 90% of pay.*

We will review this position for May 2020 onwards following confirmation from the Government that Marshall is able to access the Scheme and taking into account the position of both the Company and the country at that time.

14. What about bonuses and commission?

Unfortunately, the Scheme covers basic pay only and does not appear to cover bonuses or commission. Through our industry bodies, including the National Franchised Dealers Association (NFDA), we are lobbying Government to clarify the position in relation to bonuses and commissions. We will continue to make representations to Government as we know that this is an important issue for many of our colleagues. As per Daksh's video, we continue to work on this and we will get back to you in the very near future.

15. I am on a zero-hours contract, will I be eligible for any pay?

If you are a zero hours colleague whose pay varies, the amount you will receive will be calculated on the basis of your earnings in the same pay period in the previous year; or the average monthly earnings in the 2019-20 tax year (or fewer if you have worked for less time

than this, including a part-month calculation if you were taken on in February) whichever is the higher, excluding fees, commission and bonuses.

16. What if I started working for Marshall after 28 February 2020 (the cut-off date for the Scheme)?

New colleagues will be paid on the same basis as colleagues employed before the 28 February cut-off date despite Marshall being unable to make any claim on the Scheme for these colleagues.

17. Will I still be liable for tax and national insurance contributions whilst I am on furlough leave?

Yes. Your pay whilst on furlough leave will be treated as normal pay and will be subject to usual tax and national insurance deductions

18. What about pension contributions?

Minimum automatic enrolment employer pension contributions will continue to be paid by Marshall. Employee contributions will also be deducted from pay and paid to the scheme.

OTHER BENEFITS DURING FULOUGH LEAVE

19. Will my healthcare benefit continue during my period of furlough leave?

Yes, you and any family members included in your existing health care, will continue to be covered during your period of furlough leave.

20. What about death in service cover?

Death in service cover will continue during your period of furlough leave.

21. What about my company vehicle?

You will retain your company vehicle until further notice.

We are investigating whether it may possible for colleagues to return their company vehicle during their period of furlough leave given that whilst they are available to colleagues, company vehicles are subject to company car tax and national insurance contributions. We will keep you updated on this. Unless and until clarification is received from HMRC on this point, company vehicles will continue to be subject to tax and national insurance contributions.

22. What do I need to do if I have an accident or damage my vehicle whilst on furlough leave?

If you are a company car driver you will still need to notify our legal team by email if you have an accident, your car is damaged or there is a theft. You will still need to complete an accident report form. You can contact our legal team by email to legal.dept@marshall.co.uk

ANNUAL LEAVE DURING FURLOUGH

23. What happens to annual leave already booked and authorised during furlough leave?

Any holiday you may have booked during the furlough leave period will be cancelled out of Select HR. In order to manage holiday accrued during this period of furlough leave, it is our intention that you will be required to take a proportion of your holiday after the end of your period of furlough leave before you return to work. This is because we will need to manage a large amount of accrued holiday in the period after we re-open the business until the end of the holiday year.

24. **Will I continue to accrue holiday whilst on furlough leave?**

Yes, annual leave will continue to accrue at the same rate during furlough leave.

25. **Can I continue to book future holidays whilst on furlough leave?**

As most of our management are also furloughed, for the time being, no holidays will be authorised on Select HR during the closure of our businesses. If you have annual leave pre-booked during the period of the closure, please see question 23.

ABSENCE AND MATERNITY LEAVE

26. **What happens if I am sick during furlough leave?**

You should let us know if you become unwell during your furlough as we are required to follow our usual absence procedure.

27. **What about if I am on maternity or long-term sick leave etc.?**

Furlough leave is designed to avoid redundancy, retain jobs and financially assist both colleagues and employers. If a colleague is not able to work because they were already on long term sick or on maternity/paternity leave, furlough leave does not apply during that period of absence.

OTHER MATTERS

28. **What happens to formal employee relations processes whilst on furlough leave?**

The continuation of any formal processes may be put on hold during the temporary closure of our businesses; and continue once the business is trading as normal. However, if you are currently on suspension then you will be expected to still attend a formal meeting, but this would not be in person. Instead any meeting required as part of the process will be carried out by video conferencing such as Zoom or Microsoft Teams to enable any process to still go ahead.

29. **Will furlough leave impact my length of service?**

No. Your length of service will not be affected by your furloughed status

30. **I am in my probation, what happens to my probation period?**

Due to the temporary closure of the business, your probation period will be on hold as during this time you are unable to progress towards your key objectives. Your line manager will meet with you once the business re-opens and will discuss the extension of your probation period to negate time lost during the closure.

31. **How do I access my payslips?**

As you will be aware all payslips are now published in your self-service in SelectHR and there are no paper versions. You also have the option of having these emailed to you at an email address of your choice.

As you are furloughed, you will not be able to access SelectHR and if you haven't already entered your email into the "payroll" section of SelectHR, you will not be able to view your payslip.

If you would like your payslip emailed to the address you have given as a contact to your manager, then please email hr@marshall.co.uk from the email address you would like these sent to. Please put "Payslip Email" in the subject heading. Please note, all emailed payslips will be password-protected with your National Insurance number for security.

32. **How do I access my P60 for the 2019/2020 tax year?**

P60s for the 2019/2020 tax year have been published on SelectHR self-service. As you are furloughed, you will not be able to access SelectHR self-service.

The 2019/2020 P60 will remain on SelectHR self-service, under the heading, 'P60s' and is password protected with your National Insurance number.

If you are unable to access SelectHR at present and urgently require a copy of your P60. Please email payroll@marshall.co.uk with your request. Please note, the payroll team has limited resource at this moment in time and so requests will be reviewed on a case by case basis.

33. **I am an apprentice, what happens with regards to my training?**

The Education and Skills Funding Agency has published apprenticeship guidance which includes steps it is taking to ensure that wherever possible apprentices can continue and complete their apprenticeship, despite any break they need to take as a result of COVID-19, and to support providers during this challenging time. We will continue to communicate on this matter as and when we have more information as your development is of great importance to us.

34. **I am paying back a company loan/repayment scheme for damaged vehicle. Will this still be deducted?**

No. We are suspending repayments of this nature until the temporary closure of the business has lifted.

COMMUNICATING WITH COLLEAGUES

35. **How will Marshall communicate with me during furlough leave?**

Keeping communications alive during this time is of vital importance to us. These are uncertain and unprecedented times for us all and we want to provide you with helpful updates on the current situation as it develops over the coming weeks.

Our principal methods of communication will be by video, text message and email. We will endeavour to make short and regular communications with you throughout the furlough period as we work to get you back into the business as soon as possible and once we know that it is safe to do so.

If you have not recently updated us with your personal contact details, please provide them via HR.

36. **Who do I contact if I need to?**

The first point of contact for all queries is your HR Business Partner who will respond to your query as soon as possible. Their contact details are in your letter of confirmation of furlough leave.

37. **How will I be notified that it is time for me to return to work?**

We have created an internal system to cascade this message by telephone in the first instance to make you aware personally. This will then be followed up with a written communication by email.

FURTHER SUPPORT

38. **Colleague Assistance Programme**

We appreciate that this is a very unsettling time for you and that you, and your family, may want some further support during this time. The Employee Assistance Programme, operated by our industry charity, BEN, is available for you and is there to provide confidential, professional support whenever it is needed.

Please use this benefit and contact the Employee Assistance Programme helpline on 01344 876770 or alternatively visit their website BEN help at www.benhelp.org.

39. **Other Financial Support**

Please make sure you investigate other financial support that may be available during this period. These include mortgage payment holidays being offered by a number of banks and building societies.

The Government's Money Advice Service (www.moneyadviceservice.org.uk 0800 138 7777) has further details of mortgage payment holidays and other guidance and advice on your rights if you have concerns.