

Coronavirus: Flexible Furlough Scheme now live

Correct as of 1st July 2020

We have provided various updates including when the scheme was first announced, when [further guidance was issued on 26 March 2020](#), on [6 April 2020](#), on [8 April 2020](#) as further details were announced, on [9 April 2020](#), on [15 April 2020](#) as the scheme expanded in scope, when the scheme went live on [20 April 2020](#), when the scheme was [extended until the end of October](#), when the [Treasury Directions were updated](#), on [29 May 2020](#) when changes to the scheme were announced and when [further details of the Flexible Furlough scheme were announced](#).

Start of Flexible Furlough

From today SGBs will be able to have staff on flexible furlough, meaning that SGBs can bring furloughed employees back to work for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked. As restrictions are gradually lifted this will allow SGBs to bring staff back flexibly and in line with the ongoing restrictions.

SGBs will need to ensure they are calculating any claims for flexible furlough properly as the method of calculation is different from previous claims submitted under the scheme. Specific guidance has been provided by the UK Government on its website.

If an employer makes an error when claiming

In our last update we discussed the impact of the new Finance Bill, which will give HMRC powers in terms of enforcing any breaches of the scheme rules. In the latest updates to the guidance, HMRC has included a new resource to rectify of errors which SGBs have made when submitting claims under the scheme.

If a SGB discovers they have made an error in a claim that has resulted in an over claimed amount, they must pay this back to HMRC.

In order to repay any overpayment SGBs can tell HMRC about an over-claimed amount as part of any new claim submitted. When SGBs make their next claim they will be asked whether they need to reduce the amount to take account of a previous over-claim. Their new claim amount will be reduced to reflect the over-claimed amount and SGBs should keep a record of this adjustment for 6 years.

If a SGB has over-claimed and they do not plan to submit any further claims then they should contact HMRC to let them know about the error and find out how to pay back any over-claimed amounts.

If a SGB has made an error that has resulted in an under-claimed amount, they should also contact HMRC to amend their claim. As this would be an increase to the amount of the claim, HMRC will need to conduct additional checks before any additional payment is made.

As noted above, the Finance Bill is to be amended to give HMRC additional powers to pursue SGBs for any breaches of the Scheme rules. The now published explanatory notes explain that the new Schedule provides HMRC with compliance and enforcement powers in order to ensure that the schemes it is responsible for are administered properly and protected from fraudulent claims. The provisions therefore make clear that HMRC can use its information and inspection powers to check a Scheme claim has not been overpaid and that a Scheme payment has been used to pay employment costs.

With the additional powers to HMRC SGBs would be encouraged to verify any previous claims and that any over-claims are rectified voluntarily through the new system.

Get in touch

SGBs can access the [sportscotland](#) legal expert resource helpline by email at sportscotlandinfo@harpermacleod.co.uk or by calling [0141 227 9333](tel:01412279333).