

**Coronavirus Virus**

**Notes on measures announced on 20 March 2020, 26 March 2020, 4 April 2020, 9 April 2020, 14 April 2020, 20 April 2020, 21 April 2020 and 23 April 2020 based on available information taken from HMRC website, Institute of Taxation website, House of Commons Library and Government advice**

**Updated changes from our main document sent out on 2 April 2020 and our update document sent out on 16 April 2020**

**Coronavirus Job Retention Scheme**

**General**

- 1) It has now been confirmed that non statutory holidays can be taken whilst on furlough. The notice period as per the working time regulations/the contract of employment (if the notice period is longer) can be waived by agreement with each individual employee. The employee must be paid the full wage for the holidays taken i.e. the 80% furlough payment must be topped up to their normal wage for the holiday period whilst furloughed. The 80% furlough grant under the government scheme can still be claimed through the holiday period. If the employees do not agree to take the holidays then the notice period as per the working time regulations can be given and then the holidays will have to be compulsory taken by each employee, again their full regular wage will need to be paid. Where the pay varies then the average of the previous 52 weeks will be taken. As regards statutory holidays where the employee usually works these, then the employer can agree that this is included in the grant payment. If the employee usually takes the bank holiday as leave then the employer would have to top up their pay to the regular wage amount for the statutory holidays taken, or give the employee a day of holiday in lieu. The basic rule under working time regulations as to notice period is 2 days notice to employees for each day of holiday. Legal advice should be sought if necessary in relation to the above.
- 2) Where an employee was on the payroll at 28 February 2020 (RTI submission made before 1 March 2020) and was made redundant and is rehired then they can be furloughed from the date that they were rehired. Legal advice as regards employment law should be taken as to the rehiring of such employees.
- 3) HMRC have made their guidance clear that anyone starting employment between 28 February 2020 and leaving employment (e.g. redundant) 19 March 2020, are excluded from the scheme.
- 4) The scheme is now intended to be run from 1 March 2020 to 30 June 2020 but will be extended if necessary.
- 5) Once a claim has been made for a pay period by an employer then they cannot later make changes to the claim.
- 6) The grant can only be used to pay for the furloughed employees wages.

## Details for employers of the scheme

- 1) The portal for the grants is now open. The grant that the employer receives and pays to the employees must be reported to HMRC via RTI in the same way that they would report their normal wage (putting the business in funds to make the payment of wages to employees/directors), unless wages have been paid in advance of the grant being received.
- 2) The employer must pay the employee at least 80% of their "regular wage" to enable the grant to be paid to them.
- 3) Where enhanced maternity pay is made and the employee had been furloughed then it appears that at least 80% of their "regular wage" must be paid under current guidance, however, this will be kept under review and if anything changes we will update clients.
- 4) The employment allowance must be claimed for this year. Each employer will receive a letter from HMRC confirming their acceptance. This letter must be received from HMRC before claiming the allowance.
- 5) HMRC have opened an online facility to enable individuals to report fraudulent JRS claims by businesses and claims that employers are not paying their employees their wages from the grants received from HMRC.
- 6) Once the employer has made the claim then they will be given a claim reference number. HMRC will then check that their claim is correct and pay the claim amount by BACS into their bank account within six working days. The employer should retain all records pertaining to the claim, including the amount claimed and claim period for each employee, the claim reference number for their records and the calculation document, in case HMRC need more information about their claim. The employer will need to tell the employees that they have made a claim and that they do not need to take any more action.
- 7) All employers who have less than 250 employees as at 28 February 2020 (connected companies must as a whole have less than 250 employees) can claim back two weeks CV SSP rebate scheme payments from the first day of sickness (sickness starting on or after 13/3/2020). The employer had to have a PAYE payroll scheme that was created and started on or before 28 February 2020. The employee has to have coronavirus or be self-isolating/shielding in line with public health guidance. The online service to make this reclaim is not yet open. When further announcements are made we will update you.

## Other

- 1) There is a very useful link below, which is easy to use. The link will provide individuals with details of the government help available to them and their businesses. The original link will also provide further links with very detailed information regarding the help available.

<https://www.gov.uk/business-coronavirus-support-finder>

- 2) First grant payments for self employed individuals are expected in early June 2020. We will update you as and when we receive further information and announcements from HMRC, as to when the on line portal will be opened.