



# How to claim your employees wages

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*Disclaimer: The presentation does not provide definitive answers to individual queries, and in some places takes views on matters which are uncertain. It is not intended to be relied upon in any specific context or as a substitute for seeking advice (legal or otherwise) on a specific circumstance, as each case may be different.*

I'M A MEMBER OF  
2019  
**REWARD**  
300

# Welcome

## Agenda

Coronavirus Job Retention Scheme  
Agree IT  
Pay IT  
Claim IT  
Q&A

## Simon Parsons



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- Honorary Chairman, BCS Payroll Specialist Group (The Chartered Institute for IT)
- Chair, IReeN the electronic exchange with government user network
- Director, PAYadvice.UK

- HMRC: RBSG; EPG, BIB
- HMRC/DWP/BEIS: SPCG
- HMRC/BEIS/SLC: CSL
- Pension PIP and Pension BIB

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# Why is it so complicated



# Budget 2020 (11<sup>th</sup> March 2020) – Rishi Sunak

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Rishi Sunak

**Rishi Sunak**  
Chancellor of the Exchequer





# Budget 2020

## Opening statements

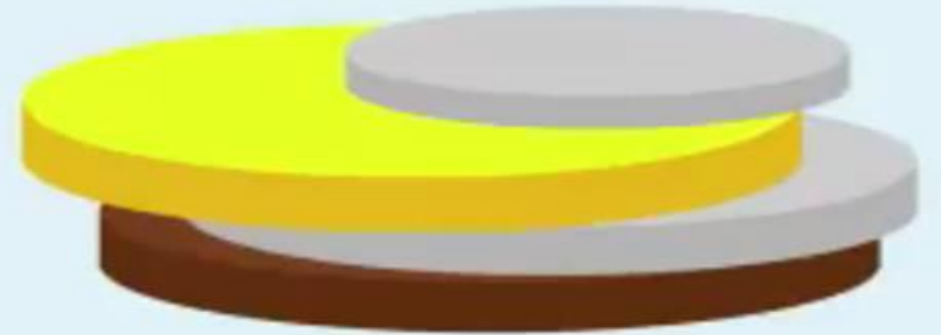
‘I want to get straight to the issue most on everyone’s mind – coronavirus COVID19....’

‘....we are doing everything we can to keep this country, and our people healthy and financially secure’.

‘...we will get through this – together’

# Budget 2020 – COVID-19 coronavirus

Support people  
so they can  
access Statutory  
Sick Pay and  
benefits more  
easily



Budget  
2020



HM Treasury

# Statutory Sick Pay

Assessed on earnings subject to Class 1 NICs

**Weekly Earnings Threshold  
£120 (£118)**

SSP Effective date	6 <sup>th</sup> April 2020
SSP Weekly Rate	£95.85 (£94.25)
Percentage Threshold Scheme	0% (no longer exists)







# COVID-19

## Statutory Sick Pay measures

### Day 1 entitlement

For those affected by Coronavirus, SSP will be made available from day one:

- Those sick with coronavirus
- Those who are advised to self-isolate

For other reasons there is still a 4 day Period of Incapacity for Work (PIW) and 3 qualifying waiting days.

# Evidence of sickness

<https://111.nhs.uk/isolation-note/>



Get an isolation note

First 7 days – employees can self certify – employers cannot insist on other evidence

After 7 days – employers may ask for evidence of sickness absence

The new isolation note provide employees with evidence of advised sel-isolation due to coronavirus. Either they have symptoms or live with someone who has symptoms.

These are contained without contacting a doctor or leaving their home

After answering some questions, an isolation note is emailed. Can be sent to a trusted friend or even the employer directly.

# Some COVID-19 SSP Q&A

## **Q - COVID19 and SMP**

A - Where a pregnant woman stays at home due to government guidance relating to coronavirus it will not be classed as a pregnancy related illness. Normal rules will apply in that SSP will cover this and the woman will not have to bring her MPP forward.

## **Q – Exhausting the 28 weeks SSP maximum entitlement**

A - If the employee has already exhausted their 28 weeks SSP then they won't be entitled to any more, even under coronavirus and should be served the SSP1 form and advised to claim UC/ESA.

## **Q – Are zero hours worker entitled to SSP?**

A – Yes if they meet the average earnings test. There is no requirement of work have being scheduled if the contract has not ended.



# COVID-19 Statutory Sick Pay (SSP)

## 100% Reclaim for 14 days

New legislation for **small and medium-sizes** employers:

- **100% refund of the first 2 weeks** of COVID-19 SSP per employee
- Eligibility – **less than 250 employees** on 28<sup>th</sup> February 2020

Employer must:

- Maintain record of COVID-19 sickness absence
  - **No requirement for Sick / Fit note**
  - However if employer insists on evidence after 7 days – **NHS 111 Isolation Note email is the evidence**

When does this commence and for how long does the emergency scheme last?

- **Commences on Friday 13<sup>th</sup> March 2020 (backdated once implemented)**
- Currently ends 12<sup>th</sup> November 2020 (but subject to earlier or later date being set by the government)





# COVID-19 SSP Reclaim – How?



## **‘Standalone’ claim process**

Government are developing a standalone claim process

Employer can upload:

- Individuals
- Payment details



# In summary

## SSP measures effective Friday 13<sup>th</sup> March 2020 (for 8 months subject to review)

For the employee

- COVID-19 self isolation = sickness (unfit for work)
- SSP payable from day 1 (no waiting days)
- Alternate fit note from NHS 111

For the employer (<250 employees – 28/2/2020)

- COVID-19 SSP payment reclaim
- Employer to maintain records
- Claim up to 14 days per employee
- Reclaim mechanism will be standalone

Universal Credit

Contributory Employment and Support Allowance

- =>25 = £73.10/w
- <25 = £57.90/w



Coronavirus (COVID-19)

# Business support

**Coronavirus (COVID-19) support will be available to businesses**

- Loans, tax relief and cash grants will be available
- Employers can apply for staff to get up to 80% pay if they can't work
- Self-employed people will receive up to £2,500 per month in grants for at least 3 months

# Agree it

## Furlough

- Contact employees that are to be considered for furlough
- Inform them that you believe their roles is at risk of due to COVID-19.
- You wish to retain them in line with the CJRS
- You seek their consent to furlough
- You will get a grant for 80% of their pay
- You will pay them in line with that subject to the usual deductions for tax and NI and pensions which will also be at 80% or you will top up
- Agree adjustments to benefits
- Keep a record of the agreement
- You may not be able to reduce pension contributions



# The basics

## Coronavirus Job Retention Scheme (CJRS or JRS)

- **Who** – any employer that has reported employee to HMRC up to 19<sup>th</sup> April 2020
- **How much grant** – 80% based on earnings reported plus associated Employers NICs.
- **Duration of scheme** – Can be backdated to 1<sup>st</sup> March 2020 – currently ends on 30<sup>th</sup> June 2020
- **Duration of furlough** – minimum 21 day non-working

W E S T A N D  
WE'LL COVER 80% OF THE SALARY OF RETAINED  
WORKERS UP TO A TOTAL OF £2,500 A MONTH  
T O G E T H E R

*Rishi Sunak*  
CHANCELLOR





# Pay it

## Work out the reference pay

Salaried or fixed hours or pay

- Last regular payment up to 19<sup>th</sup> April 2020

Variable – higher of

- Average of pay over past 12 months
- Same period last year

Proportion for the calendar period to be furloughed (Calendar days v working days)

You may have mixed period of pay due plus furlough payments

Inform payroll what you want paid and when



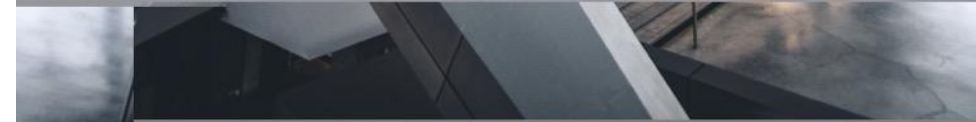
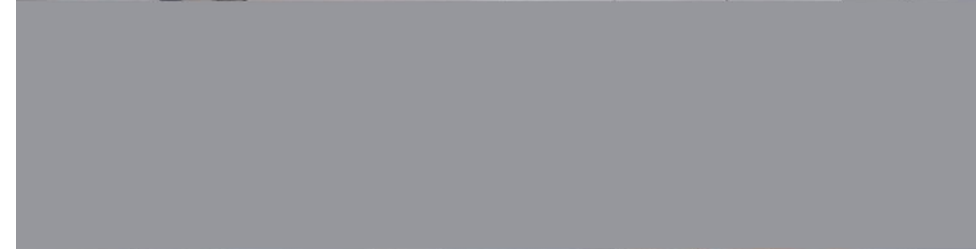
# Pay it

## Payroll requirements?

- Very little
- Payroll is about paying:
  - Deduct tax
  - Deduct NICs
  - Deduct Student Loan & Postgraduate Loan

Employer is liable for:

- Top-up above furlough grant amounts
- Benefits and Salary Sacrifice amounts
- Apprenticeship levy amounts



# Salary Sacrifice

## How about notional pay

Furlough 80% pay is post salary sacrifice and must be paid

If you need to work out pre-salary sacrifice, then add the amount to the 80% furlough pay.

For example, if a 5% salary sacrifice was in place:

$$\text{Furlough pay} / (100 - \text{salary sac } 5) * 100 = \text{Notional Pay}$$

apply 5% reduction and you return to the correct 80% furlough pay, else you risk breaching the requirements of CJRS.



# Claim it

## The scheme is open

Service opened 20<sup>th</sup> April 2020



HM Government | Coronavirus

### Coronavirus Job Retention Scheme

Online service now live

**GET HELP ▶ PROTECT YOUR BUSINESS ▶ SAVE JOBS**



HM Government | Coronavirus

### Job Retention Scheme

Date 21 April	Last 24 hours	Cumulative
Claims submitted	124,000	309,000
Value	£1.1bn	£2.6bn
Employees	900,000	2.2m

**GET HELP ▶ PROTECT YOUR BUSINESS ▶ SAVE JOBS**

22/4/2020

More than 285,000 businesses have already applied for the Coronavirus Job Retention Scheme since it went live on Monday 20 April

# Claim it

## Who will do it?

This is a government grant application:

- Employer PAYE online
- Tax Agent with PAYE online access

Find out who has access and agree who, how, and any consideration on effort

If not already registered, register for Employer PAYE online

## Sign in using Government Gateway

Government Gateway user ID  
This could be up to 12 characters.

Password

Sign in



<https://www.tax.service.gov.uk/job-retention-scheme-calculator/claim-period-start>

# Claim it

## How much

The amount pay payment may not match the amount of claim:

- Based on actual calendar days in pay period
- Interaction of employer NIC and Pension thresholds will vary (not a lot but a little)
- You will not receive grant for top-up parts of pay
- Part period coverage are causing complexities
- You cannot claim for benefits or salary sacrifice elements
- Pension reclaim is limited to 3% banded earnings





<https://www.tax.service.gov.uk/job-retention-scheme-calculator/claim-period-start>

# Claim it

## How the calculator works

The calculator will work out the amounts you need to enter in the claim form. These are:

- gross amount paid to a furloughed employee
- employer National Insurance contributions
- employer minimum auto-enrolment pension costs

It will also give you a breakdown of the calculations for each pay period for one employee.

Keep records

# Claim it

## Step by step guide

Step 1: Essential information

Step 2: Before you make your claim

Step 3: Calculating your claim

Step 4: Making a claim

Step 5: What to do next

# Claim for your employees' wages through the Coronavirus Job Retention Scheme (CJRS)

A step by step guide for employers

## Coronavirus Job Retention Scheme

▶ [Read more about the Job Retention Scheme](#)

If your client has furloughed their employees, you will be able to make a claim

**FAQ**

[At a glance](#)

[Clients](#)

[Your current client](#)

[Coronavirus Job Retention](#)

[Scheme](#)

## You must read the following before making a claim

The Coronavirus Job Retention Scheme reimburses employers for costs of employing furloughed employees arising from the health, social and economic emergency resulting from coronavirus.

HMRC will check your claim and may refuse or recover payment if your claim:

- is not made in accordance with HMRC's published guidance
- contains or is based on inaccurate information
- is paid in error
- is fraudulent or abusive or not made for the purpose described above.

Accept and continue

## Has the employer 'furloughed' any employees because of the Coronavirus (COVID-19) outbreak?

Furlough' refers to employees who have been asked to stop working for at least 3 weeks, but who are still being kept on their employer's payroll. This can include employees who have been made redundant between 28 February 2020 and 19 March 2020, but have now been rehired and furloughed by the employer.

To be eligible, the furloughed employee can not do any work for or on behalf of the employer whilst they are on a leave of absence. This includes providing services or generating revenue.

Yes  No

Continue

# Claim it

## Under 100

To make a claim, you will need:

- to be registered for [PAYE online](#)
- your UK bank account number and sort code
- your employer PAYE scheme reference number
- the number of employees being furloughed
- each employee's National Insurance number
- each employee's payroll or employee number (optional)
- the start date and end date of the claim
- the full amount you're claiming for including employer National Insurance contributions and employer minimum pension contributions
- your phone number
- contact name

You presently have 15 minutes to enter the details!

## If you're putting 100 or more employees on furlough

If you're claiming for 100 or more furloughed employees, you'll need to upload a file containing each employee's:

- full name
- National Insurance number
- payroll number (optional)
- furlough start date
- furlough end date (if known)
- full amount claimed

The format of the file you upload must be either:

- .xls
- .xlsx
- .csv
- .ods

# Claim it

## Data

this is only a suggested format and does not need to mirror exactly as long as all the mandatory data is supplied

Claim Details					
Company Name					
Company CRN					
Employer reference					
CT UTR					
SA UTR					
Claim Period Start Date					
Claim Period End Date					
Number of Employees being Furloughed					
Total Claim Amount					
Amount Claimed for Gross Pay to Employees on Furlough for the Period					
Amount Claimed for Employer NICs Contributions for Furloughed Employees					
Amount Claimed for Employer's Auto-Enrolment Pension Costs for Furloughed Employees					
Employee Details (For each employee claiming for)					
Employee's Full Name	Employee's NINO	Employee's Payroll Reference Number	Employee furlough Start Date	Employee furlough End Date	Employee claim amount
Forename1 Surname1	RN000001A	12345670			
Forename2 Surname2	RN000002B	12345000			
Forename3 Surname3	RN000003C				
Forename4 Surname4	RN000004D	12344321			
Forename5 Surname5		12345678			
Bank Details					
Bank Account Number					
Bank Sort Code					
Bank Account Holder's First Name					
Bank Account Holder's Last Name					
Bank Account Holder's Address					
Building Society Roll Number					
Company Address					
Contact Details					
Contact Name					
Contact Number					



# Claim it

## No NINO

**NATIONAL  
INSURANCE  
NUMBERCARD**

**AB 12 34 56 C**

**ANN OTHER**

When making a claim to the Job Retention Scheme, employers are asked to provide a National Insurance number (NINO) for each employee that they have furloughed . We are aware that in some limited circumstances an employer may not have a NINO for all employees.

Employee has a NINO but employer doesn't know it

Where an employee has a NINO, but the employer does not know it they should make all reasonable efforts to establish it, including by making use of the RTI NINO Verification Request submission if appropriate.

Employee does not have a NINO

Where an employer has fewer than 100 furloughed employees but has one or more without a NINO they should contact the COVID-19 Helpline on 0800 024 1222 who can process their claim over the phone.

# Claim it

## Help



<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/get-help-with-the-coronavirus-job-retention-scheme>

You can obtain HELP:

- Online
- Via Webchat
- Or phone **0800 024 1222**

PAYROLL MONITOR.  
PAYROLL MAESTRO.  
PAYROLL MURRU.



And  
everything  
else



# Questions?



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@SDWorxUKI



P Simon Parsons  
SD Worx UK & Ireland

Disclaimer: The presentation does not provide definitive answers to individual queries, and in some places takes views on matters which are uncertain. It is not intended to be relied upon in any specific context or as a substitute for seeking advice (legal or otherwise) on a specific circumstance, as each case may be different.



# Webinar: Payroll & the Coronavirus Job Retention Scheme


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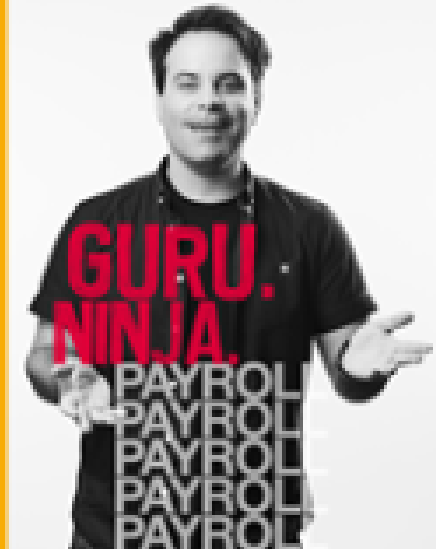
<https://www.sdworx.co.uk/en/events/payroll-and-the-coronavirus-job-retention-scheme>



Webinar

**Webinar:**  
29th April 2020  
**Payroll & the  
Coronavirus Job  
Retention Scheme**





## Payroll and the Coronavirus Job Retention Scheme

Wednesday 29th April 2020 | Webinar

With Furlough now extended until the end of June, questions about the Coronavirus Job Retention Scheme (CJRS) have soared. What does it mean for businesses supporting their employees and how can they continue to keep business afloat during this period of uncertainty?





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