



341 DERBY STREET. BOLTON . GT. MANCHESTER . BL3 6LR . TEL: 01204 61986 .
EMAIL: INFO@APATELACCOUNTANTS.CO.UK

UPDATE FOR EMPLOYERS **(COVID-19)**

- If your staff are still employed, please pay them as usual even if there has been a variation of hours/working pattern.
- To be eligible for the subsidy employers should write to their employee confirming that they have been furloughed and **keep a record** of this communication.
- Employees **hired after 28 February 2020 cannot be furloughed** or claimed for in accordance with this scheme.
- You do not need to place all your employees on furlough. However, **those employees who you do place on furlough leave cannot undertake any work for you.**
- Employees on sick leave or self-isolating should get Statutory Sick Pay, but can be furloughed after this.
- Employees who are shielding in line with public health guidance can be placed on furlough.
- If your employee has more than one employer they can be furloughed for each job. Each job is separate, and the cap applies to each employer individually.
- You will receive a grant from HMRC to cover the lower of 80% of an employee's regular wage or £2,500 per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that subsidised wage. Fees, commission and bonuses should not be included.
- If the employee has been employed (or engaged by an employment business) for a full twelve months prior to the claim, you can claim for the higher of either:
 - i) the same month's earning from the previous year
 - ii) average monthly earnings from the 2019-20 tax year
- If the employee has been employed for less than a year, you can claim for an average of their monthly earnings since they started work.
- If the employee only started in February 2020, use a pro-rata for their earnings so far to claim.
- Once you've worked out how much of an employee's salary you can claim for, you must then work out the amount of Employer National Insurance Contributions and minimum automatic enrolment employer pension contributions you are entitled to claim.
- All employers remain liable for associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on behalf of their furloughed employees.
- You can choose to provide top-up salary in addition to the grant (but this cannot be claimed)
- National Living Wage rates do not apply as employee is furloughed (Not working)
- Template of letter to be given to employees can be found in our Documents tab- kindly email copy for our Records please.

- To claim, will need PAYE No, No of employees, Claim period (start and finish), Amount claimed (minimum 3 weeks), Bank details, Contact Name and Phone No., the Claim online service is expected to be available by the end of April by HMRC and will be paid by BACS. Claims should be actual amounts at point of running payroll.
Employers cannot deduct any costs, Amount will be Gross and subject to normal deductions i.e. Tax/NIC/Student loans and pension etc.
Employees have same rights as before being furloughed

If you have any further questions then contact us by email at info@apatelaccountants.co.uk and please do not forget to include Your name, Ref. No and Business name.