

## **HMRC reimbursement for furloughed employees:**

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4th April 2020

We are still awaiting the fine details as Gov.UK update guidance, but here is the latest to date:

As you know, HMRC will reimburse 80% of furloughed workers' wage costs to employers, up to a maximum of £2,500 per month. Payments will be made every 3 weeks. This is because 3 weeks is the shortest time a period of furlough can last.

Employers will be able to make a claim for the money once HMRC's new system is available. Claims can be backdated to 1 March 2020. This is what we know:

- Online HMRC Portal to be introduced by the end of April
- Payments from end April
- It's a grant, so no requirement to pay back
- Reimbursements will not include fees, commission and bonus
- More guidance to be issued on how employers should calculate NI/AE pension

You will need:

- your ePAYE reference number
- the number of employees being furloughed
- the claim period (start and end date)
- amount claimed (per the minimum length of furloughing of 3 weeks)
- your bank account number and sort code
- your contact name & phone number

You will need to calculate the amount you are claiming. HMRC will retain the right to retrospectively audit all aspects of your claim.

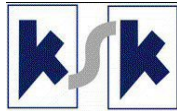
## **Holidays**

### ***Holidays during a period of furlough:***

There has been a lot of confusion and the overall position is still not clear. We will update you as and when we get some clarity.

### ***Carrying over holiday:***

Because of the coronavirus outbreak, it may not be possible for staff to take all their holiday entitlement during the current holiday year. However, you should still be encouraging your employees to take their paid holiday and to make requests for holiday if they wish.



The government has introduced a temporary new law allowing employees to carry over up to 4 weeks' paid holiday over a 2-year period. There has been confusion over whether this is a law to cover all businesses during this crisis, or for specific workers. We believe that it is for any business that has been affected but of course will let you know if this changes. The government advice states that this law applies for any holiday the employee does not take because of coronavirus, for example if:

- *they're key workers, such as healthcare or supermarket workers*
- *they need to provide cover for their co-workers and have no other opportunity to take holiday in their leave year*
- *there will be staff shortages if too many workers take their leave before the end of the leave year once the coronavirus outbreak is over*

<https://www.gov.uk/holiday-entitlement-rights/calculate-leave-entitlement>

Some employers will already have an agreement to carry over paid holiday. This law does not affect any agreements already in place.

### ***Bank holidays***

There is a huge amount of uncertainty about this. ACAS state that if employees cannot take bank holidays off due to coronavirus, they should use the holiday at a later date in their leave year. If this is not possible, bank holidays can be included in the 4 weeks' paid holiday that can be carried over. This holiday can be taken at any time over a 2-year period.

Our suggestion is that you take the view that you always close on a Bank Holiday and this is no different but that employees will be paid for bank holidays at 100% as usual.

### ***Previously booked holidays***

If an employee no longer wants to take time off they'd previously booked, for example because their holiday's been cancelled, you may still tell them to take the time off. If the employee wants to change when they take this time off, they'll need to get agreement from you.

### ***Requiring staff to take or cancel holiday***

You have the right to tell your employees when to take holiday. You could, for example, shut for a week and tell everyone to use their holiday entitlement.

If you want to tell your employees when to take holiday you must tell them at least twice as many days before as the amount of days you need them to take. For example, if you wanted to close for 5 days, you should tell everyone at least 10 days before.

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