HMRC have recently provided further clarity and guidance on the Job Retention Scheme. This new guidance answers many of the questions that have posed in the media as to how it will operate and we would strongly advise you to read it if you intend operating this scheme. The link to the Government website detailing their further guidance is below;

Employer Guidance:       <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

Employee Guidance:      <https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme>

If you have already put employees on furlough, it is important to be ready to submit your first furlough claim as soon as possible after the portal is open.

**Action you need to take if we are your Payroll Agent**

From reading this guidance we are concerned that the Government Portal **may not allow us** as your payroll agent to reclaim the money you have paid to the furloughed workers under the Job Retention Scheme.

 Whilst we have been unable to confirm this, we feel the best advice is for each employer to register their business for PAYE online with HMRC by clicking on the following link (if you are already registered for Corporation Tax or Self-Assessment online, then you can link it through to your existing account so as not to have an additional log in for HMRC);

<https://www.gov.uk/paye-online/enrol>

Whilst the online application only takes a few minutes to do, it can take HMRC up to 10 days to post out an authorisation code to activate the account. Our concern is if we are unable to process the claims for you, there will be a delay in getting the funds from HMRC whilst you register for PAYE online at a time when it’s likely that the demand will be increased.

Ultimately we hope that we will be able to process your claims and naturally, we will be available to assist you with the information required. However,  under the circumstances, we believe the above is the most sensible approach to adopt.

**How else can we help**

The additional services that we can offer in connection with the Coronavirus job retention scheme are as follows:

* We can calculate the amount that can be reclaimed from the Government for each of your furloughed employees, or alternatively review your calculations of the reclaim amounts,
* We can help you to deal with various situations, including the interaction of the furlough scheme with SSP, SMP, NMW, company directors, benefits in kind, salary sacrifice etc, and
* We can submit your claim(s) to HMRC using the online portal when it opens later in April.

As far as we understand it, you can submit a claim once every three weeks so you may need to file more than one claim on the portal.

For clients that operate salary sacrifice schemes, please note that HMRC agrees that the coronavirus pandemic counts as a “life event” that could warrant changes to salary sacrifice arrangements provided that the relevant employment contract is updated accordingly.  If you and your employees wish to make changes to existing salary sacrifice arrangements, we can also support you with these changes and any consequential changes to your payroll calculations.

 Please let us know if you require our assistance on any of the above matters and we will update our client engagement letter to accommodate it.

Stay safe

 Robert