





COVID-19 & Payroll: What Employers Need To Know




Welcome to today's webinar









Rachel Hynes
Marketing Executive - BrightPay




Karen Bennett
Head of Sales & Marketing- BrightPay






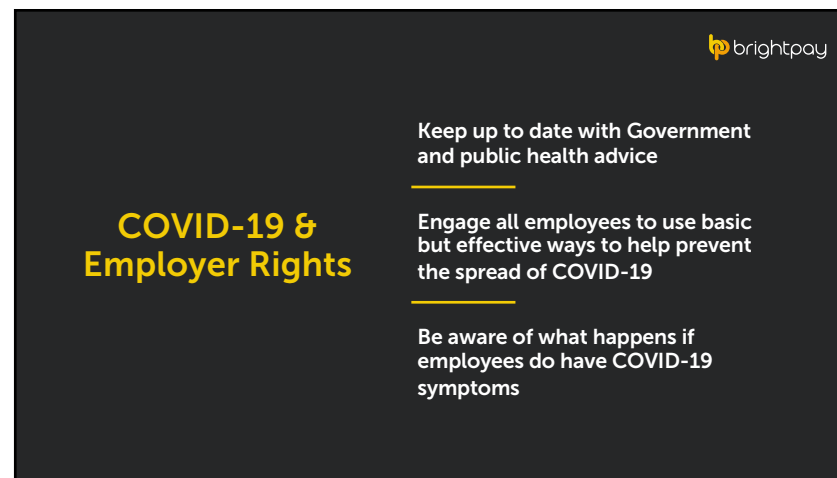
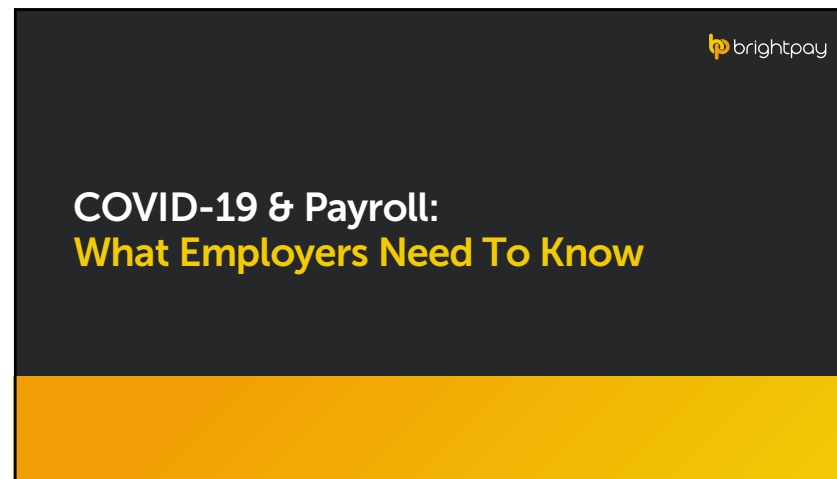
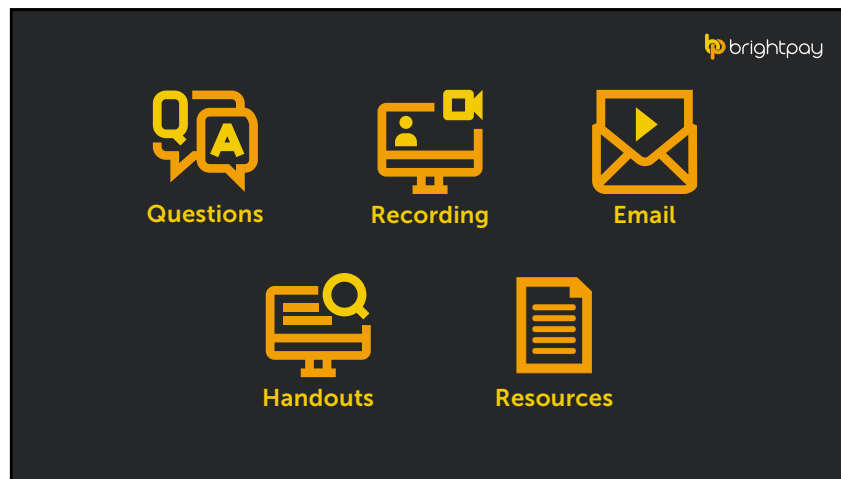
Paul Byrne
Managing Director



Laura Murphy
HR Manager & Employment Law Expert



Victoria Clarke
Training & Support Manager



COVID-19 & Employer Rights




Additional Resource




- Coronavirus Job Retention Scheme
- Deferred VAT and Self-Assessment payments
- Self-employment Income Support Scheme
- Statutory Sick Pay relief package for SMEs
- Coronavirus Business Interruption Loan Scheme
- HMRC Time To Pay Scheme
- 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England
- Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- New lending facility from the Bank of England to help support liquidity among larger firms

COVID-19 & Employer Rights



Additional Resource




Coronavirus Job Retention Scheme


Short term cash flow support: Coronavirus Business Interruption Loan

Support for businesses through deferring Income Tax payments

COVID-19 & Employee Rights



Additional Resource



Employees with COVID-19 symptoms cannot leave their home

If an employee lives with someone who has symptoms – can get an isolation note for their employer

Businesses and workplaces should encourage their employees to work at home

COVID-19 & Employee Rights



Additional Resource



Annual leave rules have been temporarily relaxed

Employees may carry over up to 4 weeks paid holidays into the next two leave years

More information on employee rights throughout the webinar



COVID-19: How to handle SSP

COVID-19 related sick pay differs from normal Statutory Sick Pay.



COVID-19 & SSP

Employees are entitled to Statutory Sick Pay from day one

Check existing sick leave policies – some businesses pay over the SSP amount

BrightPay 20/21 - new option for COVID-19 Related Sick Leave



Coronavirus Job Retention Scheme & Furlough Leave

A temporary scheme that is designed to support employers whose operations have been severely affected by COVID-19.



Job Retention Scheme & Furlough Leave

Designed to support employers whose operations have been severely affected by COVID-19

A way of preventing layoffs and redundancies

Furloughed employee – an employee who has been placed on a leave of absence

Job Retention Scheme & Furlough Leave



Employers can claim for:

- 80% of usual monthly wage costs (capped at £2,500)
- Associated Employer National Insurance contributions
- Minimum auto enrolment employer pension contributions

Claims can be backdated to 1 March

Job Retention Scheme & Furlough Leave



Must have been on your PAYE payroll on 28th February 2020

It's available to all employees:

- Full-time employees
- Part-time employees
- Employees on agency contracts
- Flexible / zero-hour contracts

Job Retention Scheme & Furlough Leave




Not all employees need to be placed on furlough

Furloughed employees cannot undertake work for or on behalf of the organisation

If an employee is working on reduced hours, they will not be eligible

Job Retention Scheme & Furlough Leave



Unpaid leave – cannot be furloughed unless after 28 February

Sick leave / self-isolating - SSP, but can be furloughed afterwards

Shielding / living with vulnerable – can be furloughed if they are unable to work from home




Job Retention Scheme & Furlough Leave

More than one employment – can be furloughed for each job

Maternity, adoption, paternity, shared parental pay - normal rules apply

Caring responsibilities, e.g. childcare – can be furloughed




Job Retention Scheme & Furlough Leave

Directors – can claim for PAYE salary

No income-generating work while on furlough, but they can continue to run the business from a statutory perspective

Also applies to salaried individuals who are directors of their own PSC




Job Retention Scheme & Furlough Leave

Minimum of 3 consecutive weeks

Can be furloughed multiple times

Maximum furlough – 3 months from 1 March

When the scheme ends, employees can remain furloughed – no subsidy




Job Retention Scheme & Furlough Leave

Employers need to claim for wage costs through an online portal

Businesses & agents that are authorised to act on behalf of clients will be able to claim

File only agents will not be able access the service due to data protection reasons

Job Retention Scheme & Furlough Leave



You will need the following:

- Bank account & sort code
- Contact name & phone number
- Unique Tax Reference / Company Registration Number
- Details of furloughed workers
- Total amount being claimed

Can only claim once every 3 weeks (minimum furlough period)

Job Retention Scheme & Furlough Leave




At a minimum – whichever is lower:

- 80% of their regular wage
- £2,500 per month

Employees wage is subject to Income Tax, National Insurance, Auto Enrolment contributions

Job Retention Scheme & Furlough Leave




Employers – still liable for Employer National Insurance & employer Auto Enrolment contributions

Subsidy from HMRC will cover Employer NI & AE contributions

Employer top-up – Employer NI and AE contributions not subsidised


Job Retention Scheme & Furlough Leave



Full-time & part time employees – salary before tax as of 28 February

Variable pay, higher of:

- Same month's earning from the previous year
- Average monthly earnings from 2019/20 tax year



Job Retention Scheme & Furlough Leave

Fees, commission and bonuses should not be included

Employees only entitled to NMW / NLW for the hours they are working

Furloughed employees pay can fall below NMW / NLW

Time spent training – must be paid the appropriate minimum wage




Furlough Leave & Employment Legislation

Must provide written notice and keep a record of this for 5 years

An employee can be placed on furlough if contract contains a layoff or short-term clause

Where there is no such clause, it's best advised to get agreement from the employee

 Additional Resource



Furlough Leave & Employment Legislation

Deciding who to furlough – equality and discrimination laws apply


Furloughed employee's retain their rights – SSP, maternity, unfair dismissal, redundancy payments

When the scheme ends – redundancy may be necessary



Self-Employed Income Support Scheme

The Self-Employed Income Support Scheme is designed to protect the jobs of self-employed workers across the UK.




Self-Employed Income Support Scheme

Taxable grant for self-employed individuals – 80% (capped at £2,500)

Average monthly trading profit over the last 3 years


Recipients can continue their normal trading activity

Paid in June - a single lump sum instalment covering all 3 months



How BrightPay can facilitate remote working

Although BrightPay is a desktop solution, it is very flexible and can facilitate working from home.




Remote Working with BrightPay


BrightPay can be installed on up to 10 different PCs

Payroll files can be accessed remotely through cloud environments such as Dropbox or Google Drive

Allows you to continue to process the payroll as normal




Additional Resource




How BrightPay Connect's online portals can help

BrightPay Connect is proving to be hugely beneficial and enables full business continuity with secure communications.

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How Connect can help

- Automatic cloud backup – access payroll info anywhere, anytime
- Remotely manage employee's leave, upload employee documents and send communications to employees
- Track COVID-19 related sick leave which flows through to the online employee and employer calendar

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How Connect can help

- Upload documents and resources to distribute to employees
- Distribute mission critical documents employee entitlements and updated contracts and policies
- Notify employees of important announcements which can be viewed on the employee's smartphone app

Additional Resources

Guidance for employers and businesses on coronavirus:
<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-coronavirus-covid-19>


COVID-19 Support for Businesses:
<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

COVID-19 & Annual Leave:
<https://www.brightpay.co.uk/blog/2020/03/carry-over-of-annual-leave-government-relaxes-rules/>


Template Furlough Letter:
https://www.brightpay.co.uk/guides/Letter_Regarding_Furlough_Leave.docx

BrightPay's COVID-19 Resources Hub:
<https://www.brightpay.co.uk/pages/covid-19-resources>


Working Remotely with BrightPay:
<https://www.brightpay.co.uk/guides/BrightPay%20Covid-19.pdf>

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Questions & Answers



Paul Byrne
Managing Director
at BrightPay



Laura Murphy
HR Manager &
Employment Law Expert



Victoria Clarke
Training & Support
Manager