

Job Retention Scheme Health Checks

HMRC has restarted its tax enquiries and given the significant cost of the Job Retention Scheme (JRS), it is expected HMRC will seek to recover overpaid claims under the scheme.

We recognise that, whilst the JRS has been invaluable to businesses, guidance was often unclear around certain areas of the scheme and the variability of some employees' pay resulted in complex payroll calculations.

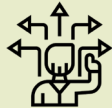
We are offering a Job Retention Scheme Health Check service whereby we will review the relevant JRS documentation and claim calculations. We can identify any inaccuracies in claims which can be addressed and will reduce the risk of financial penalties in the event of a HMRC audit.

The extension to the JRS affords employers more flexibilities in relation to part-time working patterns. We can assist you in determining how these flexibilities could help to manage costs over the next 4 months, navigate the documentation required to implement new working arrangements and review the claim calculations.

We can also direct you to any grants you may be eligible for that can cover up to 100% of our advice.

The Health Check will include a review of the following documentation that HMRC is likely to request:

Decision making process to furlough staff and associated documentation



Eligibility of staff included in claims



Correspondence with furloughed employees



Records of furlough periods if employees had more than one furlough period



Claim calculations to include:



- The basis of the classification of employees as either fixed or variable employees
- Whether the 80% is based on the correct wages amount and has been recalculated for each pay period. The retention amount an employee is due can change each week/month
- If the claim includes weekly and monthly paid employees, whether the salaries are being correctly time apportioned where necessary
- Whether calendar days rather than working days has been used
- Whether the Employer's NIC has been reclaimed even when the employer is entitled to the £4,000 Employers Allowance
- Whether the claim for pension contributions has been restricted where necessary
- Payment of 100% salary for holidays taken during furlough period
- Payment of National Minimum Wage for training within furlough period

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