

CHAVEREYS

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Making a furlough grant claim

Important – there are some initial steps which should be taken prior to 20 April in order that you can access the portal to make a furlough claim as early as possible.

The Government has announced further detail of how to make a claim via the online system which will be available from **20 April 2020**. Following a claim, payments should be made to the bank account specified under the claim, within 6 working days.

This document covers the administrative procedure for making a claim and should be read together with the Chavereys Coronavirus Job Retention Scheme factsheet.

Getting ready prior to 20 April 2020

If you use an agent authorised to act on your behalf for PAYE matters they can make a claim using their user ID and password. You will need to provide your agent with your bank account details into which you wish the grant to be paid.

If you use an agent solely to make your PAYE RTI submissions but it is not authorised to act on other PAYE matters (a file-only agent) they will not be able to make the claim for you and will either need to be authorised for PAYE matters or you will need to make the claim yourself.

If you do not use an agent, or wish to make the claim without using your existing agent, you will need to do this via the Government Gateway account for your employer organisation making the claim. You may have an existing account used for submission for taxes such as VAT, PAYE or CIS. It is anticipated that from 20 April it will be possible to add the furlough grant claim to the list of available services after logging in.

If you do not have a Government Gateway account for the employer organisation you should create one [here](#). You can do this prior to 20 April. Click on the link to “sign in” and then on the next page follow the link to “create sign in details”. Then, following the instructions, enter your email address when prompted. You will be emailed a confirmation code which you must enter. You will then be asked for your full name and a password. You will then be given a 12 digit numerical code which is your Government Gateway ID. It is crucial that you retain this number safely, together with the password. The process of creating an account is very quick.

Via the Government Gateway you should sign up for PAYE online for employers (if you do not already have this added to your account). You do this by accessing the Government Gateway account and then following the link to “add a duty tax or scheme”, selecting PAYE for employers from the options. To add this service you will need the following:

- HMRC office number (this should be on the letter HMRC first sent when you registered as an employer). Enter the first 3 numbers. For example, 123/A246, enter 123.
- Employer PAYE reference (the second part of the above reference i.e. A246)
- Accounts office reference (This should be on the letter HMRC first sent you when you registered as an employer) It takes the form 123PX12345678

Then click “request access”. HM Revenue & Customs will then ordinarily issue a code by post to enable you to have full access to the service however we understand this is being by-passed during the current restrictions however it is suggested that you **get at least this far as soon as possible.**

If, after requesting access you receive the following error:

'This information does not exist for PAYE for Employers or it has already been used to request access to this tax or scheme'

Then it is likely that you already have a Government Gateway account linked to your PAYE reference. You will need to find the details of that previous Government Gateway account or speak to the HMRC online services on 0300 200 3600 (however the helpline is extremely busy). The alternative is to authorise Chavereys as PAYE agent so we may submit the claim on your behalf. This process involves an authorisation code being sent by post which you should pass to Chavereys.

Whilst HMRC have tried to mitigate the risk of fraud this system has been set up in a rush and we advise that you keep all references as confidential as possible and do not share these, or bank details by email.

Calculating the claim amount for each period

For ease of calculation, claims should be organised so that the claim period end date coincides with the end of a pay period. The first claim period will start on the day the first employee was furloughed. The end of the first claim period will therefore depend on whether employees are paid weekly or monthly and when the first employee was placed on furlough. Once a claim is made employers must wait at least three weeks before making another so the first claim may be for a period longer than a normal pay period.

Claims may be made once the payroll figures for a period have been calculated. Employers should take the total employment costs for a pay period and calculate how much qualifies for a grant claim under the rules (set out in the Chavereys Coronavirus Job Retention Scheme factsheet). If an employee is placed on furlough part way through a pay period, the pay which qualifies to be included in the grant claim will need to be apportioned.

The process for making any amendment to a claim is not known. This might arise if, for example, a claim is made before a pay period ends (because payroll is run before the end of the period) and then an employee is taken off furlough before the end of the pay period.

Depending on the software you use to process your payroll, and if you have the most up to date version, you may have the facility to designate particular employees as being on furlough leave and provide the start date for this leave. The software will then assist in the

calculation of the amount to claim for that pay period however these report calculations should always be checked against the rules.

A simple claim example follows.

	Gross monthly salary	Employer's NI and pension contribution	Total cost to employer	Element of gross pay eligible for grant (if furloughed for whole month)	Element of employer's NI and pension eligible for grant (if furloughed for whole month)	Total costs eligible for grant (if furloughed for whole month)	Apportioned for part of month on furlough
Ben	£5,000	£699	£5,699	£2,500	£304	£2,804	£2,804
Iain	£2,500	£304	£2,804	£2,000	£220	£2,220	£2,220
Karen	£2,000	£175	£2,175	£1,600	£120	£1,720	£287
Total			£10,678				£5,311

Ben and Iain were furloughed at the start of the pay period, Karen was furloughed 25 days into a 30 day pay period. Karen has opted out of auto enrolment. The total claim is £5,311.

Entering the claim details

The precise details of how the furlough portal will be accessed within PAYE online service are not yet known and this guidance will be updated as soon as they are.

HM Revenue & Customs has advised the following information must be entered for each furloughed employee:

- Name
- National Insurance number
- Claim period and claim amount.
- PAYE/employee number (optional)
- if you have fewer than 100 furloughed staff – you will need to input information directly into the system for each employee
- if you have 100 or more furloughed staff – you will need to upload a file with information for each employee; HMRC will accept the following file types: .xls .xlsx .csv .ods.

You will also need to enter:

- your bank account number and sort code
- your contact name
- your phone number

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