SPECIALISTS IN TAX, VAT & EMPLOYMENT LAW

Frequently Asked Questions: COVID-19 (Coronavirus) and employment law

Update on 24th March 2020 – Statutory Self-Employment Pay

Calls for wider economic support for the self-employed have been getting louder, amid suggestions for something akin to the Coronavirus Job Retention Scheme (CJRS) that was announced last week. During its passage through Parliament, the House of Commons Public Bill Committee tabled an amendment to the Coronavirus Bill which aims to provide such support to that sector.

As it stands, the proposed amendment would mean individuals, who are self-employed or freelancers (presumably including sub-contractors and those engaged on CIS), would be entitled to a monthly topup to ensure their income does not fall below 80% of their net monthly earnings averaged over the last 3 years or £2,917, whichever is lower. The amendment is titled 'Statutory self-employment pay' <u>see</u> <u>here</u>.

We understand the Chancellor will be making further announcements later today, which will include something about the so-called 'gig' economy and the self-employed. Whilst it is a welcome and an inevitable development, following the CJRS, we will have to await confirmation as well as the intricacies of how such a statutory top-up system would work in practice.

To reiterate, please keep in mind that this is an ever-changing and extremely fast paced period, hence the content of our updates may be subject to change pending statutory clarification and Government guidance.

GOVERNMENT AND ACAS GUIDANCE

We have become aware of a Coronavirus SMS scam which tells people they can claim a tax refund to help protect themselves from the outbreak. Please note that the text message is not from HMRC and is a scam. Further information and detail can be found <u>here.</u>

Some details of the Government's CJRS scheme can be found here.

The COVID-19 pandemic is continually changing and the Government and ACAS advice for employers is being updated as the situation develops. We suggest that you should keep track of the guidance for employers from the following sources:

• <u>Public Health England and BEIS: COVID-19: guidance for employees, employers and businesses</u> (applicable in England).

• <u>Welsh Government: Coronavirus (COVID-19): employers and businesses guidance</u> (applicable in Wales).

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- <u>Health Protection Scotland: COVID-19: Information and Guidance for Non-Healthcare Settings</u> (applicable in Scotland).
- <u>Acas: Coronavirus: advice for employers and employees</u> (relevant to employers throughout the UK).
- <u>WHO guidance: Getting your workplace ready for COVID-19</u> (applicable globally).

For information on the circumstances in which individuals should self-isolate see the following sources:

- <u>Public Health England: COVID-19: stay at home guidance</u> (applicable in England).
- Public Health Wales: Novel Coronavirus (COVID-19) Self-isolation advice (applicable in Wales).
- <u>Health Protection Scotland: Coronavirus (COVID-19)</u> and <u>NHS Inform: Coronavirus (COVID-19)</u> (applicable in Scotland).

Guidance has also been issued on the steps that vulnerable people should take to minimise their risk of infection:

• <u>Public Health England: COVID-19: guidance on social distancing and for vulnerable people</u> (applicable in England and Wales).

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