

**Technical factsheet:
Engagement letters**

**Supplementary schedule of services –**

**Coronavirus Job Retention Scheme (CJRS)**

**This is a living document and we will update it as our understanding of CJRS develops.**

**Last updated 20 April 2020**

This guidance is supplementary to the ACCA engagement letters suite and should be read in conjunction with it. Please note the caveat included at the front of that document. Care should be taken over whether to use the attached schedule.

A practitioner should be aware that the requirements for submitting a number of returns to HMRC may change as a result of further guidance and changes in regulation.

Please note that legal counsel **have not** reviewed this document. Template documents cannot and should not be taken as a substitute for appropriate legal advice.

[INTRODUCTION FOR USE BY A PRACTITIONER AND NOT TO BE SENT TO CLIENT]

**INTRODUCTION**

1. This supplementary schedule is specifically to be used for CJRS only and is for use where the practitioner is already providing Payroll services and using the schedule of services in the ACCA engagement letter suite. It is expected that this schedule of services set out where a firm is acting as a data processor for a data controller.

2. Guidance on CJRS can be found on the HMRC website: <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme> and additionally on the ACCA website: <https://www.accaglobal.com/uk/en/cam/coronavirus.html>.

3. A sample covering letter, privacy notice, schedules for other services, terms and conditions and guidance is included in the main engagement letter guidance. A practitioner should refer to that guidance as required. This is on the basis that the practitioner is already engaged for payroll services and has a letter of engagement in place.

4. The schedule of services provided assumes that the practitioner is making all submissions to HMRC required in relation to CJRS. If they are only assisting with some parts of the process, they will need to amend the documents appropriately.

5. If a practitioner is reviewing the CJRS return figures prepared by a client for submission by the client, they will need to amend the wording included on this schedule.

6. The schedule of services has been prepared on the basis that the tax practitioner is acting as a data controller in relation to the service provided.

7. If HMRC commits an error(s) in processing a client’s CJRS returns, a practitioner should consider the need to issue a new engagement letter covering the work required to deal with the error. The following advice is included in the irregularities helpsheet section of Professional Conduct in Relation to Taxation:
<https://www.accaglobal.com/us/en/technical-activities/technical-resources-search/2018/january/technical-factsheet--professional-conduct-in-relation-to-taxatio.html>.

‘On occasions it may be apparent that an error committed by HMRC has meant that the client has not paid tax actually due or he has been incorrectly repaid tax. Correcting such mistakes may cause expense to a member and thereby to their clients. A member should bear in mind that, in some circumstances, clients or agents may be able to claim for additional professional costs incurred and compensation from HMRC. See HMRC’s complaints factsheet.’

**8. The schedule of services relating to CJRS has not been reviewed by legal counsel and a practitioner may therefore wish to take legal advice in relation to this schedule.**

April 2020

ACCA LEGAL NOTICE: This technical factsheet is for guidance purposes only. It is not a substitute for obtaining specific legal advice. While every care has been taken with the preparation of the technical factsheet, neither ACCA nor its employees accept any responsibility for any loss occasioned by reliance on the contents.

**SCHEDULE OF SERVICES – Coronavirus Job retention Scheme (CJRS) claim**

This schedule should be read in conjunction with the engagement letter, schedule of services for payroll and the standard terms and conditions.

**Initial registration**

1. We are already registered to act as agents for your payroll services. You have instructed us to submit a claim to the CJRS on your behalf. Our work is limited to assisting you in the submission of the claim.

**Recurring compliance work**

2. We will prepare your CJRS claim for returns on a [three-weekly/ monthly/regular] basis. The first such return to be prepared by us will be the return for the period ending [date].

3. The scheme is expected to run until the end of June 2020. If it is extended beyond this date, we will advise you of this change and will discuss with you the continuation of our services under this Schedule of Services.

**Record-keeping**

4. To be eligible for the grant, you must agree with your employees that they will be furloughed. You are then required to confirm this with them in writing. There needs to be a written record of the arrangement. **A record of this communication must be kept for five years.**

5. We will not check nor confirm the records that you keep in order to meet the requirements of CJRS, nor those that you provide to us for preparation of the CJRS claim.

6. We are not responsible for deciding which employees are furloughed and/or the period they are furloughed. In order to be entitled to the grant, an employee should be furloughed for at least three consecutive weeks.

7. Based on the information that you provide to us, we will:

* calculate the grant for gross pay for the furloughed employees
* calculate the grant for employer’s national insurance contribution
* calculate the grant for employer pension contribution
* submit your CJRS return data online to HMRC [after the data to be included therein has been approved/on the basis of the data provided] by you. Your attention is drawn to your legal obligations on paragraph 18.

8. We will only deal with one nominated person within your organisation. The identity of this person should be notified to us in writing before we make any application to the CJRS.

9. Any enquiries from individual employees concerning their furloughed wages or other payroll details will be referred back to that nominated person.

10. If you wish to change the identity of the nominated person, this must be confirmed with us in writing.

11. We assume no responsibility for losses or distress caused by miscommunication as to the identity of the nominated person.

**Ad hoc and advisory services**

12. Where you have instructed us to do so, we will provide such other taxation ad hoc and advisory services as may be agreed between us from time to time. These services will be subject to the terms of this engagement letter and standard terms and conditions of business unless we decide to issue a separate engagement letter. An additional fee may be charged for these services.

Examples of such work include:

* advising on ad hoc transactions and queries (including telephone conversations), preparing and submitting information in the relevant format to HMRC, and calculating any related tax liabilities
* dealing with all communications relating to your CJRS returns addressed to us by HMRC or passed to us by you
* reviewing your record-keeping processes and providing advice on potential improvements to enable full compliance with the CJRS requirements.

13. Where our advice is provided in writing, the information provided and the query raised will be set out with our response to you.

14. Ad hoc queries by way of telephone and email enquiries are not routine compliance and may result in additional fees. Where appropriate we will aim to discuss and agree additional fees; however, it may not always be possible to agree these in advance. We reserve the right to charge you an additional fee for these queries.

15. Where specialist advice is required in certain area, ie employment law, we may need to seek this from, or refer you to, appropriate specialists. We will only do this when instructed by you.

**Changes in the law or practice or in public policy**

16. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or practice or in public policy or your circumstances.

17. We will accept no liability for losses arising from changes in the law or practice or in public policy that are first published after the date on which the advice is given.

**Your legal obligations**

18. You are legally responsible for:

* ensuring compliance with the rules set up in the CJRS
* ensuring that you send the confirmation in writing to your employee confirming that they have been furloughed
* ensuring that furloughed employees have been asked to stop working for at least three consecutive weeks, and you are keeping them on your payroll
* ensuring that the furloughed employee do not carry out any work while they are on a leave of absence. This includes providing services or generating revenue
* ensuring that furloughed staff receive at least 80% of their regular wage/reference pay up to the monthly cap of £2,500. Deductions such as administration charges from this amount are not permitted
* ensuring your record-keeping system is compliant with the CJRS requirements.

19. Failure to do any of the points in clause 18 may lead to the clawing back of the grant, automatic penalties, surcharges and/or interest. We assume no liability for these penalties.

20. You cannot delegate your legal responsibilities to others.

21. To enable us to carry out our services, you agree:

* to tell us about all employees who are furloughed in the claim period. This should include furloughed employees who are paid weekly, every two weeks and/or monthly. You accept that we will not be able to make another claim for the same claim period
* that all returns are to be made on the basis of full disclosure
* that you are responsible for ensuring that the information provided is, to the best of your knowledge, accurate and complete. The returns are prepared solely on the basis of the information provided by you and we accept no responsibility for any liabilities arising due to inaccuracies or omissions concerning the information you provide, which may lead to a misdeclaration and on which penalties and interest may arise
* to authorise us to approach such third parties as may be appropriate for information we consider necessary to deal with the returns. In the event we pay third parties for their advice or other services, you agree to indemnify us for that cost
* to provide us with all the complete records relevant to the preparation of your returns, including bank account details as soon as possible. We would ordinarily need a minimum of [ ] days before submission to complete our work. If the records are provided later or are incomplete or unclear, thereby delaying the preparation and submission of the return, we accept no responsibility for any penalty or inability to claim under the CJRS that may arise. Where feasible, we may agree to complete your return within a shorter period but may charge an additional fee.
* Where you wish us to deal with HMRC communications on your behalf, you will forward to us all communications received from HMRC such as statements of account, copies of notices of assessment and letters. These must be provided in time to enable us to deal with them as may be necessary within the statutory time limits. It is essential that you forward us copies of any correspondence received because HMRC is not obliged to send us copies of all communications issued to you.
* You are responsible for bringing to our attention any errors, omissions or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

 **Limitation of liability**

22. Our services as detailed above are subject to the limitations on our liability set out in the engagement letter and in our standard terms and conditions of business. You agree that you have read these important provisions and have considered them carefully.

Date:

Name of practice: