

## **Coronavirus FAQs – Nanny Employers’ Liability Insurance Policyholders**

### **The employer (or someone in their household) is in self-isolation**

- The employer’s household are all in self-isolation because of a suspected or confirmed case of Coronavirus. Does the Nanny still have to come to work?
  - No, as the employer all members of their household are in self-isolation within the Nanny’s place of work, they will not be required to work. During this time, as the Nanny’s place of employment is technically ‘closed’, you can put the Nanny on furlough leave and claim back 80% of their salary from the Government (up to a value of £2,500 per month). You can choose to top this value up to 100% of their usual salary if you wish.

### **The Nanny is in self-isolation**

- If a Nanny is off sick due to Coronavirus (whether it’s a confirmed case, or precautionary self-isolation) can I claim on my insurance for a replacement employee?
  - No, there is no replacement employee cover on the policy to cover you in this case.
- If a Nanny is off sick due to Coronavirus (whether it’s a confirmed case, or precautionary self-isolation) can I claim their SSP on my insurance?
  - No, Statutory Sick Pay (SSP) is not covered under the policy.
- If a Nanny calls in sick as they themselves have Coronavirus symptoms, and will therefore be self-isolating for the next 7 days, do I still need to pay their wages?
  - Employers are not required by law to pay full wages to the employee (although they can if they choose to do so), but Nannies are entitled to Statutory Sick Pay (SSP) from the first day of absence.
- If a Nanny calls in sick as someone else in their household has Coronavirus symptoms, and will therefore be self-isolating for the next 14 days, do I still need to pay their wages?
  - Employers are not required by law to pay full wages to the employee (although they can if they choose to do so), but Nannies are entitled to Statutory Sick Pay (SSP) from the first day of absence.
- If a Nanny is classed as being in one of the ‘extremely vulnerable’ categories, and is therefore advised to ‘shield’ for 12 weeks, are they entitled to be paid?
  - If your Nanny has received a letter or text from the Government or their GP stating that they are classed as ‘extremely vulnerable’, they would be entitled to SSP for the entire time that they are practicing ‘shielding’.

### **The Nanny has childcare needs**

- Is my Nanny entitled to paid time off for childcare because their child’s school has closed?
  - Not necessarily. As those working in education and childcare come under the Government’s definition of a key worker, your Nanny should still be able to send their children to school if there is a requirement for them to come to work (i.e. if either you or your child’s other parent are key workers). See Government guidance below ([taken from Gov UK website, here](#)):
    - Education and childcare:  
This includes childcare, support and teaching staff, social workers and those specialist education professionals who must remain active during the COVID-19 response to deliver this approach.
- Is my Nanny entitled to time off if their child displays symptoms of Coronavirus?

- Yes, if the PA lives in the same household with their child, they will need to self-isolate with them (and all other members of their household) for 14 days. Employers are not required by law to pay full wages to the employee (although they can if they choose to do so), but Nannies are entitled to Statutory Sick Pay (SSP) from the first day of absence.

### **My Nanny is claiming that they caught Coronavirus at work**

The Employer's Liability section of your policy covers against your legal liability for accidents to, or illness of, employees sustained during their employment. It does not cover circumstances arising from the Covid-19 outbreak, for example an employee who alleges they became infected while caring for your children. This is because an employee would only be able to claim compensation from you if you were found to be legally responsible for them catching Coronavirus, which is a highly unlikely scenario.

### **Furlough and the Job Retention Scheme – what you need to know**

The UK Government is offering to help pay your staff during the COVID-19 crisis, if you need it.

It's called the Coronavirus Job Retention Scheme, and it may be your best chance to avoid lay-offs or making your Nanny redundant. Read on to find out more about the Scheme.

#### **What is the Job Retention Scheme?**

The government has announced plans for a new scheme that will pay for most of an employee's wages while they are on furlough. But what exactly is a 'furloughed employee'?

Normally, an employee on furlough takes a period of temporary leave and receives no pay. They stay on your books, and you can bring them back in when you need them.

Under the proposed Job Retention Scheme, if you need to furlough your Nanny due to the COVID-19 crisis, the "no pay" element described above doesn't apply and you will get a grant to cover 80% of their wages up to £2,500 per month.

#### **Why would I need to furlough my Nanny?**

The Scheme is there to provide assistance when, for a temporary period, you are unable to offer work to your employees because of the coronavirus. This might be because you are not working or are self-isolating and have no need for childcare for the time being. It's important to note that if you or your partner are classed as a key worker, and are therefore still working yourselves, your Nanny should still be able to provide childcare for your children if necessary.

#### **Who decides on putting employees on furlough?**

You do. The key to furlough is whether you still need your Nanny to provide childcare and for as long as this is the case, furlough is not needed. Your employee might ask you about it, but you can explain to them that it is only for use if you cannot provide them with work.

#### **What if they need to self-isolate?**

Self-isolation is different to furlough. Self-isolation is dictated by a person's personal situation. People have to self-isolate if they have symptoms of coronavirus, or if they live in the same house as someone who has symptoms. Furlough is dictated by whether a person's employer can still provide them with work.

### **Do I have to pay my Nanny if they are self-isolating?**

Someone who self-isolates must be paid statutory sick pay (SSP) if they meet the qualifying criteria which includes earning a minimum amount, on average, per week. SSP works slightly differently for people who have coronavirus or are self-isolating because of it; it will be paid from day one of absence rather than day four.

Payment during furlough would be different to this.

### **If I need to furlough my Nanny, how do I do it?**

Putting someone on furlough is likely to be a change to their employment terms and conditions so you would need to agree it with them if it would change their terms. This means speaking to them about it first and getting their consent. It's important to do this because the Job Retention Scheme will only let you recover 80% of your Nanny's pay so it is likely that you will want to reduce their pay to this amount, otherwise you would have to make up their pay to 100%.

Once you have got their agreement to furlough on reduced pay, you should confirm this in writing, setting out the date that furlough will begin. You need to keep someone on furlough for at least three weeks if you want to recover the 80% wages from the Scheme.

You can only get the grant for PAYE workers.

### **What if my Nanny doesn't want to be furloughed?**

Some employees may not be keen to see their pay drop to 80% during furlough, however, once it is explained to them that the only alternative may be redundancy, this may make furlough seem a more attractive option. Furlough will keep their job open for them to come back to when you can provide work again.

### **When does furlough end?**

The Scheme is intended to run for a maximum of three months. Claims can be backdated to 1 March 2020 so we expect the initial period to run until the end of May, though it may be extended. You don't need to furlough employees for the whole three-month period, as long as the period of furlough you use for each employee is at least three weeks long. You can stop using it at any time after this initial three-week period when you can provide work to your employees again.

### **How do I get the government grant?**

You need to use a new online portal to tell HMRC who are your furloughed workers and what their earnings are. The money will then be paid into your bank account. It is expected that the first payments will be made at the end of April. The online portal isn't quite ready yet.

### **Furlough and the Job Retention Scheme**

Government guidance regarding furlough and other support available to businesses and employers - [click here](#)