

# INSIDER

## SEPTEMBER 2020

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### VIDEO-WITNESSED WILLS BECOME LEGAL IN ENGLAND AND WALES

The witnessing of wills over video-conferencing platforms in England and Wales has been temporarily legalised, the Government has confirmed.

The law still requires a will to be made "in the presence of" at least two witnesses to be legally valid, while the use of video should be a last resort.

However, some people have understandably turned to platforms such as FaceTime or Zoom while self-isolating or shielding during COVID-19 to get their affairs in order.

The new law is backdated to apply to any will made from 31 January 2020, as long as the sound and video is sufficient to see and hear what happened at the time, and will remain in place until 31 January 2022.

The Government hopes this will help alleviate the difficulties some people have encountered when making wills during the pandemic.

Robert Buckland, justice secretary, said:

"Our measures will give peace of mind to many that their last wishes can still be recorded during this challenging time, while continuing to protect the elderly and vulnerable."

Wills witnessed through windows are already considered legitimate in case law as long as the witness has clear sight of the person signing it.

**📩 Get in touch for estate planning advice.**

### BUSINESSES CLAIM LATE PAYMENTS CRISIS DEEPENS DURING LOCKDOWN

Almost two-thirds of small businesses in the UK experienced late or frozen payments as a result of the COVID-19 outbreak, a report has claimed.

The Federation of Small Businesses (FSB) polled 4,228 small business owners during lockdown in April 2020 and found the issue affected 62% of firms.

Businesses in the wholesale sector (72%) were worst affected, followed by those in legal and accounting, and advertising and marketing (both 62%).

Most firms in these sectors saw cashflow dry up as the UK went into lockdown throughout April 2020.

A raft of late payment reforms were announced in June 2019 by the previous government, although an eagerly-anticipated report has yet to be published.

Mike Cherry, chairman at the FSB, said:

"Before the COVID-19 outbreak struck, many small firms were already under immense financial pressure because of this culture of late payments.

"Some corporations are now trying to inoculate themselves from the impacts of COVID-19 by withholding payments, or even freezing them.

"Withholding cash has pushed many [small firms] to the brink at a time when they're at their most vulnerable."

**📩 We're happy to discuss your business's cashflow.**

## FURLOUGHED WORKERS GET REDUNDANCY PAY PROTECTION

**The Government has closed a loophole which allowed employers to make furloughed staff redundant on reduced pay under the furlough scheme.**

The new law kicked in on 31 July 2020 to ensure furloughed workers who are made redundant receive redundancy pay based on their normal wage.

Employees who are made redundant after more than two years of continuous service are usually entitled to a statutory redundancy payment.

This payout is based on their length of service, age and pay, up to a statutory maximum.

Many of the UK's 9.6 million furloughed workers are being paid at 80% of their normal wage.

The Government had urged employers to do right by their employees and pay those being made redundant based on their normal wage.

Redundancies have been tipped to rise as the furlough scheme winds down at the end of next month, and a minority of employers made redundancies using the reduced furlough rate.

But the Government acted quickly to close the loophole to ensure those eligible and affected receive statutory pay based on their normal wages.

Alok Sharma, business secretary, said:

"Where redundancies are unavoidable, it is important that employees receive the payments they are rightly entitled to.

"These new laws ensure furloughed workers are not short-changed if they are ever made redundant – providing some reassurance for workers and their families during this challenging time."

The new law extends to statutory notice pay, which ensures workers are given a notice period before their employment ends.

In addition, basic awards for cases of unfair dismissal must be based on full pay rather than reduced wages through the furlough scheme.

**📩 Talk to us about termination payments.**

## FIRMS 'UNABLE TO PREPARE' FOR END OF BREXIT TRANSITION PERIOD

**Less than a quarter of company directors are fully prepared for the end of the Brexit transition period on 31 December 2020, a survey by the Institute of Directors (IoD) shows.**

When polled in late June, 31% of directors said they were waiting until the final changes of the UK's deal with the EU are clear.

Meanwhile, 14% said they couldn't focus on Brexit due to the impact of coronavirus on their business.

Only 24% were fully prepared, while 19% said they were "somewhat prepared" but expected to do more.

The IoD has called for any upcoming changes to be phased in gradually where possible, to help minimise disruption for businesses.

It also recommended that specialist help and advice, and support such as tax credits or 'Brexit vouchers', should be provided to small firms.

Jonathan Geldart, director general of the IoD, said:

"With so much going on, many directors feel that preparing for Brexit proper is like trying to hit a moving target. Jumping immediately into whatever comes next would be a nightmare for many businesses.

"A phased implementation is in everyone's interests, and direct financial support for smaller firms would be a huge boost at a difficult time."

Last month, the Government launched a campaign that encouraged businesses and individuals to prepare for the end of the transition period.

This included directing individuals to use an online checker tool, which identifies the next steps they need to take.

The actions needed will be different depending on each person's circumstances, but they could include preparing for new travel rules, or getting ready to import from or export to the EU.

Exporters will need to obtain an EU EORI number if they do not have one already, as well as deciding how they will make customs declarations in the future.

**📩 Speak to us about your business.**