



## Welcome

### Welcome to the EU Exit edition of the Employer Bulletin

This edition has important information on a range of issues that businesses and citizens need to be aware of should the UK leave the EU without a deal.

#### If you don't have much time, here are the highlights:

If you have employees that work in the EU, the European Economic Area (EEA) or Switzerland there are actions you need to take around social security contributions. There is a possibility that your employee may have to pay social security contributions both here in the UK and in the country in which they work. We have [new guidance](#) available to help you understand this.

If your business trades exclusively with the EU then there would be immediate changes to the way you import/export. There are things that you can do now to prepare and the first of these is registering for a UK Economic Operator Registration and Identification (EORI) number. It takes less than 10 minutes and we explain how to do it.

The government has also made £8m available to customs intermediaries and businesses who would need to complete their own customs declarations. We'll give you more details about grants that are available for IT and training.

If you employ people from the EU then we have an update on the government's settlement scheme.

If you use chemicals in your work then we have an update from the Department for Environment, Food and Rural Affairs.

Make sure you don't miss any future EU Exit updates by signing up to receive one of our [new email alerts](#). You can also follow us on twitter [@HMRCBusiness](#) and [@hmrcgov.uk](#)

Our aim is to give you clear, consistent and timely information which helps you to meet your payroll obligations to HMRC. If you have any questions about any of the content in this edition of the Employer Bulletin please contact: [euexit.communications@hmrc.gsi.gov.uk](mailto:euexit.communications@hmrc.gsi.gov.uk)

Your feedback is always most welcome.

John Berry  
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# Changes for UK employers sending workers to the EU, the EEA or Switzerland in a no deal situation

In the event the UK leaves the EU without a deal, there may be changes for UK employers who have people working in the EU, the EEA or Switzerland.

Currently the EU Social Security Coordination Regulations ensure employers and their workers only need to pay social security contributions (such as National Insurance contributions in the UK) in one country at a time. However if we leave without a deal, the coordination between the UK and the EU may end.

This will mean that your employees working in the EU, the EEA or Switzerland may need to make social security contributions in both the UK and the country in which they are working at the same time.

## You need to do the following to prepare:

- If your employee is currently working in the EU, the EEA or Switzerland and has a UK-issued A1/E101 form, they will continue to pay UK National Insurance contributions for the duration of the time shown on the form.
- However if the end date on the form goes beyond the day the UK leaves the EU, you will need to contact the relevant EU / EEA or Swiss authority to confirm whether or not your employee needs to start paying social security contributions in that country from that date. The European Commission's [website](#) will help you find the relevant country's authority.
- If your employee is a UK or Irish national working in Ireland their position will not change after the UK leaves the EU, they are covered under the international agreement signed by the UK and Ireland in February 2019. You, as their employer, won't need to take any action.
- A replacement for the A1/E101 form will be issued for new applications after the UK leaves the EU. This ensures your employee continues to make UK National Insurance contributions to maintain their social security record. You can still use the same form on [GOV.UK](#) to make an application after the UK has left the EU.

The UK Government is working to protect UK nationals in the EU in a 'no deal' scenario by reaching reciprocal arrangements with the EU or Member States to maintain existing social security coordination for a transitional period until 31 December 2020. Individuals in scope of these arrangements will only pay social security contributions in one country at a time.

For more information about sending workers to the EU, the EEA or Switzerland in a no deal situation please go to the new information on [GOV.UK](#).

## Preparing your business for EU Exit

If the UK leaves the EU without a deal there will be changes that affect businesses trading in the EU and outside of the EU.

The easiest way for all businesses to find out what these changes are and the actions that you will need to take to prepare is to use the '[Prepare your business for the UK leaving the EU](#)' tool on GOV.UK. The tool asks you seven simple questions about your business before providing guidance relevant to you and your organisation.

### If your business only trades with the EU

We have published a new section on GOV.UK to help your business prepare for the UK leaving the EU without a deal. The pages bring together our key guidance to help you prepare if you are moving goods to or from the EU.

The '[Trading and moving goods from the UK to the EU if the UK leaves with no deal](#)' page includes guidance on what to do:

- before you get started - including how to apply for a UK trader number, known as a UK EORI number, and deciding whether to make customs declarations yourself or get help
- to make a customs declaration – with details of how to fill in the commodity code for your goods
- to move goods under transit – including how to use the [Common Transit Convention](#) to move your goods more easily
- after your goods leave the UK – with details of how long you'll need to keep your commercial invoices and customs paperwork.

The [‘Trading and moving goods from the EU to the UK if the UK leaves with no deal’](#) page includes the same relevant guidance but with additional details including what to do:

- when carrying merchandise in baggage
- importing animal, plant or other controlled products
- when your goods arrive – with details of how to pay customs duty and account for import VAT.

### Further guidance and support

You can continue to find all of our latest no deal guidance on [‘Trading with the EU if the UK leaves without a deal’](#) on GOV.UK. You can read our [latest letter to UK traders trading in the EU](#) and our [latest letter to UK traders trading outside the EU](#) on GOV.UK setting out the key actions these businesses need to take.

We are delivering our latest EU Exit webinars on Thursday 4 and Friday 5 April to help businesses trading with the EU prepare for the UK leaving the EU without a deal. You can register for your place on one of our [‘Prepare for a no deal EU Exit’](#) webinars now. You can also catch up with our recent [EU Exit webinar](#) for UK traders at a time to suit you.

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## Access to benefits if the UK leaves the EU without a deal

In the event the UK leaves the EU without a deal the UK government has announced the following with regard to accessing benefits:

### EU citizens and their family members lawfully residing in the UK before the UK leaves the EU:

- Will be able to continue to work, study and access benefits and services on broadly the same basis as they do now.
- If you are currently in receipt of [UK Child Benefit](#) or [UK Tax Credits](#) your payments will continue after the UK leaves the EU as long as relevant eligibility criteria continue to be met.

- If you currently claim UK Child Benefit and [UK Child Tax Credit](#) for a child resident in an EU country (‘exporting’) you will be able to continue to receive these benefits, as long as they continue to meet the entitlement criteria.
- Continuing entitlement to UK benefits and UK Tax Credits will be subject to any future changes to the rules that apply to UK nationals.

### EU citizens arriving after the UK leaves the EU:

- EU citizens arriving after exit who have 3 months’ or 36 months’ leave under transitional arrangements will be entitled to access to social security payments on the same basis as they would have now. This will apply until the future immigration system is introduced by the Home Office in January 2021.

Further guidance on the transitional arrangements can be found [here](#).

### UK nationals in the EU receiving UK Child Benefit:

- UK nationals in the EU will continue to get their UK benefits including Child Benefit as long as relevant eligibility criteria continue to be met.
- The Government continues to call for EU Member States to protect the rights of UK nationals in the EU in the event of a no deal.

For more information about access to benefits in a no deal situation please visit [here](#).

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## Customs Training and IT Grants scheme

Customs intermediaries and traders who complete customs declarations themselves (and not through an intermediary) are being urged to apply for grants to fund training and IT improvements in preparation for the UK leaving the European Union, as part of an £8m government funding package.

The grants are part of an investment by HMG to support these businesses ahead of the UK leaving the EU.

As part of the investment, £5m has been made available to help businesses based in, or with a branch in, the UK, to meet the costs of employee training and IT improvements.

The first grant is to help towards the cost of training for intermediaries and traders completing customs declarations, or intending to complete customs declarations in the future. The second grant is to fund IT improvements, and is available to small and medium sized employers in the customs intermediaries sector currently completing customs declarations on behalf of importers and exporters.

The grant schemes opened on 4 December 2018, and so far we have received applications for more than £2.5 million of funding. Businesses are encouraged to apply soon.

Price Waterhouse Cooper is administering the grants on behalf of HMRC as an accredited grant administrator. Businesses wishing to apply for funding should not contact HMRC and can apply online. More information, and a link to the online application page, is available on [GOV.UK](#).

HMRC is also working with training provider, Knowledge Pool, to invest the remaining £3m of funding to increase training provision in this area, including the development of a new training course which is now available. More information on this new course is available on [the Customs Declarations Training website](#). This includes details of what the course covers, as well as directing prospective learners to the five organisations who are delivering the training over coming months so they can choose the option that is right for them.

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## EU Settlement Scheme

Given the valuable contribution EU citizens make to businesses and organisations across the UK, employers may want to communicate with their EU staff about the EU Settlement Scheme.

In advance of the UK's exit from the EU, the UK government has committed to protect the rights of EU citizens and their family members currently living in the UK. This includes the right to live, work and study here, with continued access to public services such as healthcare and schools, and access to public funds such as pensions and benefits. To retain these rights after 31 December 2020, EU citizens need to apply for a UK immigration status under the EU Settlement Scheme.

The EU Settlement Scheme provides a simple and straightforward process for EU citizens and their family members who want to stay in the UK to get the UK immigration status they need. They will only need to complete three key steps – prove their identity, show that they live in the UK, and declare any criminal convictions.

Applications to the Scheme are free and are made via a short online application process.

The EU Settlement Scheme is now fully open.

Now that the Scheme is opening fully, there are different routes available for applicants to have their identity documents checked, as part of their application. These include scanning identity documents using an Android phone, visiting one of our many ID verification locations across the country or sending documents by post.

### What does the EU Settlement Scheme mean for employers?

Employers are under no obligation to take any action regarding the EU Settlement Scheme. However, given the importance of EU citizens to many organisations and the valuable contribution they make to diverse workplaces, many employers will want to

offer their EU colleagues reassurance and support. To help with this, the Home Office has produced a communications toolkit for employers which you can [download on GOV.UK](#). You may wish to signpost the application process or encourage EU staff to apply.

Employers have a duty not to discriminate against EU citizens in light of the UK's decision to leave the EU. Current right-to-work checks (e.g. passport and/or national ID card) apply until the end of 2020 and there will be no change to the rights and status of EU citizens living in the UK until then.

### Where do I go for more information?

- Refer to the guidance published on GOV.UK about the [EU Settlement Scheme](#) and encourage your employees to find out more about how to apply.
- View the [employer toolkit](#) to download communication materials to share with your EU citizen employees, and watch/share the videos provided.
- Encourage your EU citizen employees to [sign up](#) for email alerts on the status of EU citizens in the UK.

# Does your business use chemicals?

If your business uses chemicals, you will need to take action to prepare for the possibility of the UK leaving the EU without a deal. You may have new responsibilities for example, if you import chemicals from the EU.

- Visit the [HSE website](#) for information on [how each of the chemicals regimes will be affected](#). The site includes guidance on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Plant Protection Products (PPPs, pesticides), Biocidal Products Regulation (BPR), Classifying, labelling and packaging (CLP) and Prior Informed Consent (PIC).
- Refer to the [UK REACH Guidance document](#) for specific information on REACH, including actions for businesses using but not producing chemicals. Actions for different types of businesses to take are in this [Summary Table](#).
- Check contingency plans across your supply chain to understand what information you may need to supply to UK agencies, logistics providers, suppliers and customers.