

SmartPayroll

LEAVE SUPPORT

GUIDE

Your guide to the COVID-19 Leave Support Scheme in SmartPayroll



Leave Support during Alert Level 3 Lockdown – what you need to know

The scheme is intended to support the workers of essential businesses who either:

- are deemed a higher risk to getting COVID-19
- have household members who are deemed high risk to getting COVID-19 and are required to stay home for 14 days
- have been in close contact with someone who has COVID-19 and are required to remain at home for 14 days
- are sick with COVID-19 and are required to remain off work until advised by a Health Professional they can leave isolation.

We're here to help!

This guide should provide you with all the information you need. Please read this in the first instance and email our Helpdesk if you need further assistance.

Note: you do not need to ask your employee to prove they meet one of the criteria and need to stay at home. There is also no expectation from the Ministry of Social development that you provide proof when making your application for the Leave Support.

1. What are my obligations as an employer under this scheme?

The obligations on employers are similar to those outlined under the Wage Subsidy scheme. However, there are additional requirements:

- You must discuss with your employee about how you can best support them at this time. For example, they may choose to use any sick or discretionary leave they have, instead of getting the Leave Support. If you can't pay the full amount of this leave to your employee, you can apply for the Leave Support to top it up.
- You must not be able to financially support your employee due to the COVID-19 public health restrictions. For example, the cost of paying for your employee's leave and paying for replacement staff is significant.

For the full list of employer obligations, please refer to the COVID-19 Leave Support Scheme Declaration [page here](#).

2. How much can an eligible employee be paid?

In line with the rates offered by the Wage Subsidy scheme, the Leave scheme is paid for 4 weeks at a flat rate of:

- \$585.80 (gross) to a person working 20 hours or more per week (full-time rate)
- \$350.00 (gross) to a person working less than 20 hours per week (part-time rate)

The Leave Support Scheme is paid as a lump sum and covers 4 weeks per employee from the date you submit your application. You can't apply for less than 4 weeks.

3. How should employees be paid?

If you are receiving the Leave Support, you must try your hardest to pay the employee named in your application at least 80% of their usual wages. If that isn't possible, you need to pay at least the payment rate (i.e. full-time or part-time rate). If your employee's usual wages are less than the Leave Support, you must pay them their usual wages. Any difference should be used for the wages of other affected staff.

4. What about other leave entitlements?

Your employee isn't required to have used any or all their paid leave entitlements before you apply for the Leave Support on their behalf. However, you can agree with your employee to use any form of paid leave entitlements to cover the period they cannot work.

5. When can I apply for the scheme?

The scheme is currently available – more information about how to apply is [available here](#). Employers can access the scheme for at least the duration of the Alert Level 3 lockdown period.

6. Can I receive payments for both the Wage Subsidy and the Leave Support for an eligible employee?

You can apply for both payments however you can't receive both payments for the same employee at the same time. What payment you apply for depends on how you've been impacted and your employee's individual situation. More information to help you determine this is available [here](#).

7. How should I apply this in SmartPayroll?

You can use the new COVID-19 components in the same way as you would if you were recording the Wage Subsidy (or the now unavailable COVID-19 Leave Payment scheme) in SmartPayroll. If you are paying the employee using the Leave Support or the Wage Subsidy, we recommend entering an Admin Note on the Pay Details screen to indicate which scheme you have used. The guidelines for these components are included in our [Wage Subsidy Guide](#).

We're here to help!

If you finish reading this document and still need help, please email our helpdesk at helpdesk@smartpayroll.co.nz. Queries will be prioritised by Pay Date, so please include your pay date in the Subject Line of your email. We appreciate your patience during this time.

The logo for SmartPayroll, with 'Smart' in blue and 'Payroll' in black, in a bold, sans-serif font.