



Expensive business, what employees are entitled to at home

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By **Chris Coombes** - 30 April

Since the UK entered lockdown and employees began working remotely, employers have needed to quickly ensure staff have the equipment they need to perform their jobs. This triggers some important questions:

- What are your legal obligations?
- What is reasonable?
- What should you do now?

Legal obligations

Most employers will have a clause in their employment contract (or an internal expenses policy) which states that employees will be reimbursed for “all reasonable expenses wholly, necessarily and exclusively incurred in the course of employment”, or wording to that effect.

Often, expenses (or expenses above a certain threshold) need to be approved in advance. Some employees may, therefore, seek to claim that they have a contractual right to be reimbursed for any equipment they have bought or that the employer must approve expense requests for equipment that is reasonably needed.

First, your contractual obligations will largely depend on what the employment contract or (contractual) expenses policy states. Many expenses policies are non-contractual. However, where an employee does have a contractual right, an employer must ensure it respects this in order to avoid a breach of contract claim.

In most cases, the question then arises: “*What is a reasonable expense?*”

As well as considering the employment contract/expenses policy, employers should remember that:

1. Employers have a duty to ensure the health and safety of their employees and contractors, which includes providing a safe working environment. This duty does not just apply in the workplace, but extends to those who are working from home (both permanently and temporarily). Complying with this duty will (in some cases) require employers to provide employees with appropriate homeworking equipment where reasonable (see Kate's “[Safe at home](#)” article).
2. Employers also have a statutory duty to make reasonable adjustments in respect of their disabled staff. Importantly, this obligation may be triggered where a particular practice adopted by the employer puts a disabled person at a substantial disadvantage when compared to those who are not disabled. Therefore, if an employer requires its disabled staff to work from home during the lockdown, the employer may need to pay for certain types of homeworking equipment where reasonable.

Reasonableness

In each of the above contexts, the employer needs to ask the question: what expenses are reasonable? Listed below are some pointers that may be helpful to bear in mind when determining the reasonableness of an employee’s request.

- An employer does not have a legal obligation to reimburse employees for every piece of homeworking equipment they choose to purchase during lockdown. Employers need to consider each request on its merits taking into account the employee concerned and the health and safety outcome that needs to be achieved.
- There may be a simpler, more cost-effective alternative to the homeworking equipment the employee is requesting which is sufficiently reasonable. A simple example is that a monitor can be placed on a pile of books rather than attached to a monitor arm to ensure it is at the correct height.
- It will most likely be considered a reasonable adjustment to provide a disabled employee with any particular equipment they had while working in the office.
- What is “reasonable” for one employer to provide may not be “reasonable” for another, as this will be considered by reference to the size of the employer’s resources.
- An employee who has already been working from home for a considerable period of time (pre-lockdown) may not reasonably require as much new equipment now.

Recommendations

Given we cannot be sure how long the lockdown will last, it makes sense for employers to be sure of their obligations in relation to reimbursement of expenses incurred during homeworking by checking the wording of their employment contracts and/or expenses policies (where relevant).

Where employers have non-contractual expenses policies in place, it may be advisable to consider updating these to add some clarification as to what expenses will be considered “reasonable” in the context of homeworking. Alternatively, this can be covered in a separate “homeworking policy” (see “[Homeworking policy](#)”). Instead of including this in a policy, some employers may simply choose to issue some guidance to employees in this respect.

Another option that some employers may consider (if this is not already in place) is making reimbursement of all expenses (or expenses over a certain amount) conditional upon obtaining pre-authorisation. This would be an additional administrative burden for employers but, would also reduce the number of employees proactively purchasing expensive equipment and then expecting to be

reimbursed for it.

One final word: National Minimum Wage

A note of warning: where an employer decides not to reimburse a worker for a particular type of equipment and the worker pays for it themselves, it is possible that this will reduce the worker's pay for National Minimum Wage purposes if it is considered to be an expense incurred in connection with employment. This is more likely to cause a problem where employees are being paid at or near the National Minimum Wage level, as the deduction would then bring the worker's pay below National Minimum Wage.

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