

# Deeside Business Forum Joint Virtual Meeting CH4, SAFE &FGH

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# Let Me Introduce Myself...

- Justine Watkinson
- Head of Employment Law and Group Engagement Director HM Group Limited
- Recommended in the Legal 500 2019/2020 Edition;  
“Justine is a delight to work with”



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# Some Positive Facts!

- A quarter of UK businesses are expecting to begin and resume usual trade within 4 weeks
- Germany has seen promising recovery in heavily locked down sectors (restaurants etc.)
- Labour demand has eased off and stabilised
- There has been a real re focus on shop local and shop ethically
- The pubs may be open again on 4 July and the football is back on!

# Changes to the CJRS

## Terms of scheme to October

	July	August	September	October
Government contribution (E'er NIC & pension)	Yes	No	No	No
Government contribution (wages)	80% up to £2,500	80% up to £2,500	70% up to £2,187.50	60% up to £1,875
Employer contribution (E'er NIC & pension)	No	Yes	Yes	Yes
Employer contribution (wages)	Nil	Nil	10% up to £312.50	20% up to £625

# Flexible Furlough- Headlines

- From 1 July employer's can bring employees back part- time
- If employees have been furloughed previously for a minimum of 3 weeks between 1 March and 30 June
- Wage claims are proportional to number of hours worked (work for 50% of furloughed hours get 50% of grant) – complicated may need your accountants /payroll to assist
- Claims for flexible furlough must start and end in the same month for each employee

<https://www.gov.uk/government/publications/find-examples-to-help-you-work-out-80-of-your-employees-wages/example-of-a-full-calculation-for-an-employee-who-is-flexibly-furloughed>

- Employers will require an amended agreement with the employees to flexibly furlough them
- Keep written records of all furlough arrangements/reasons
- Ensure any decision's re return are not discriminatory
- Employees remaining on full furlough must continue NOT TO

WORK

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# CJRS Changes

## 3 Actions for Employers

- Take stock on CJRS support
- Identify what continued support is required
- Keep under review your strategy for managing workforce costs

# Take stock on CJRS support to date

- On 29 May Govt announced it is consulting on an onerous clawback regime
- Big media interest in a number of businesses saying they will repay grants “Spectator”
- Burden will be on the users of the scheme to show they were entitled
- Important for employers to have evidence for the rationale behind the decisions to claim and they have kept records
- If concerned you may not have needed it or claims made incorrectly, you should seek advice

# Identify what continued support employers need from the CJRS

- CJRS has been a much needed lifeline
- Lockdown easing – re evaluate support required
- Keep records of decisions around needs for support (cash flow forecasting on assumptions of 25/50/75 capacity or income)
- This evidence should be kept for 6 years



# Keep under review the strategy for managing workforce costs

- Employers should consider alternatives to managing workforce costs
- Returning workers – reduced pay/hours
- Short time working/lay off
- Sabbaticals
- Career breaks
- Review of discretionary bonus and benefits
- Restructuring
- Redundancies

# Redundancy

- Expected that there will be increase in redundancies as CJRS runs down
- Employers bound by all the existing Employment Laws
- Full, fair consultation is required
- Collective consultation requirements (20 plus employees on a rolling 90 day period)
- Beneficial to run down notice whilst employees are on furlough leave
- Question re clawback - is that an abuse of the scheme if business was not performing anyway before the pandemic?

# Back to work – a couple of tricky questions

- Employees who do not want to return...
- Clinically extremely vulnerable (chemo, cancer, immune deficiency –have received a letter) – requirement to shield
- Clinically vulnerable (over 70, pregnant, diabetes) - adjustments
- Overlay of disability rights under Equality Act 2010

# Pregnant but can't work from home?

- Risk assess
- Change working conditions
- Suitable alternative work
- None of the above suspend on full pay until maternity leave

# Employees who care for a clinically extremely vulnerable/clinically vulnerable

- Be sensitive
- Work from home/remain on furlough
- Consider adjustments
- Be aware of discrimination by association
- May have to be unpaid leave/ holidays



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