



HR Expert Q&A: Issues affecting the industry and the new Job Support Scheme



With:
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What Are The Lessons Learnt From This Pandemic

- Daily changes to employment law with many having huge impacts on policies and procedures – furlough, ssp, sickness
- We had to adjust our businesses overnight
- We had to learn how to communicate and engage with our employees
- We had to be resilient
- Well being
- We have to take Health & Safety more seriously
- Policies and procedures weren't flexible enough for many companies
- We had to deal with waste
- Sickness
- Changes to polices to make our businesses leaner and stronger so we can be around for many years to come
- We could work from home
- We worked in a way we had been planning to do

Which Policies, Documents & Procedures May Need Adding Or Changing

- Sickness, notification, keeping in touch
- Return to work interviews
- Medical questionnaire
- Medical statements
- Pregnancy statement
- Coronavirus policy
- COVID 19 risk assessment – mobiles?
- Whistleblowing
- Lay off
- Shortage of work
- Home working, lone working, mobile working and risk assessments
- GDPR – Mobile, WhatsApp, social media policies
- Holiday policies with an update on travelling abroad and enforcing of holidays
- Family friendly rights
- Capability
- Search policies
- Wastage

Making Our Businesses Leaner And Stronger

- Looking at the contracts we already have – temporary, contractors, self employed
- Freezing recruitment
- Freezing training costs
- Looking for different suppliers
- Hibernating the business
- Making use of government schemes
- Asking for support from shareholders/owners/investors
- Engaging staff and asking for suggestions
- Flexibility
- Mobility

Background

- In March 2020, as a result of the coronavirus pandemic, the government announced the Job Retention Scheme.
- The purpose of this scheme was to assist employers with retaining staff during situations where their work was seriously diminished, or non-existent, due to the coronavirus.
- The Job Retention Scheme, otherwise known as the furlough scheme, is due to end on 31 October 2020 and will not be extended further.
- In its place will be the Job Support Scheme.

What is the Job Support Scheme?

- The Job Support Scheme (JSS) forms part of the government's Winter Economy Plan, designed to protect jobs and support businesses over the winter months.
- Although the JSS will still provide some wage cover to help employers, its aim is to help employers who can support employees doing some work but need more time to recover.
- The JSS will not provide wage assistance for an employee who is doing no work at all.
- It will open on 1 November 2020.

How will the Job Support Scheme work?

- Employees work at least one third of their normal working hours and are paid in full for these hours by their employer.
- The Government will provide pay for one third of the amount of lost hours, up to a maximum cap of £697.92 per month.
- The employer will also provide pay for another third of the lost hours, which is not subject to a cap.
- The remaining third will not be paid. All employees under the scheme should receive at least 77% of their normal wages, provided the Government cap hasn't been applied.

How will the Job Support Scheme work?

For example:

John normally works 5 days a week and earns £350 per week.

Under the JSS, he works 40% of his normal working hours, which amounts to 2 days a week.

The percentage of hours lost is 60%, which is worth £210.

John's employer pays £140 for hours he works and a further £70 covering one third of hours lost.

The Government pays another £70, which is also one third of hours lost.

John receives £280 in total per week.

How will the Job Support Scheme work?

For example:

Beth normally works 5 days a week and earns £600 per week.

Under the JSS, she works 50% of her normal working hours, which comes out at 2.5 days a week.

The percentage of hours lost is 50%, which is worth £300.

Her employer pays £300 for hours worked, and a further £100 for the one third of hours lost.

The Government pays £100, which is also one third of hours lost.

Beth receives £500 in total per week.

How will the Job Support Scheme work?

- Employers will pay their employees as normal, and then claim the appropriate amounts back from the government.
- Employees can be cycled on and off the scheme, however each reduced working hours arrangement must last for at least seven days.
- Employees can also work different hours for each separate claim, provided the changes do not fall below the minimum working hours requirement.
- Claims will be able to be made online from December 2020 – reimbursement will be made on a monthly basis.

Communicating the changes

- In the same way as the furlough scheme, employees should be provided a letter outlining that the company intends to use the scheme and what it will mean for them.
- It may be advisable to hold meetings with employees in order to clearly explain what the scheme is and what they will be expected to do.
- As with the furlough scheme, employees will need to agree to change their hours in writing.

Eligibility for the Job Support Scheme - employers

- As with the furlough scheme, all businesses are eligible to make use of the JSS.
- They **do not** need to have claimed under the furlough scheme previously.
- Small to medium sized businesses are automatically eligible to make a claim – larger businesses will need to demonstrate that they have seen a fall in turnover due to the coronavirus pandemic.
- Further guidance is expected to clarify what constitutes a 'larger business' for these purposes.

Eligibility for the Job Support Scheme - employees

- The scheme is intended to protect 'viable' jobs only – it is not designed for employees who are unable to work any hours at all.
- Employees must have been on the company's PAYE payroll on or before 23 September 2020.
- This means a Real Time Information (RTI) submission to HMRC must have been made on or before this date.
- Employees cannot be given notice of redundancy whilst being claimed for under the scheme.

Employment considerations

- Employers will need to carefully evaluate which members of staff are to be placed on reduced hours for the scheme.
- Written reasons for the decision should be clearly made and kept; no decisions should ever be made for a discriminatory reason.
- Employers may wish to transfer furloughed staff onto this new scheme; if so, they need to bear in mind that these employees will need to work for at least one third of their hours.
- Bear in mind the mental health of staff.

What if a company is not eligible?

- The government has still to fully confirm what would make a company not eligible for the scheme.
- That said, those that are unable to use it will need to consider options for saving costs as we head through the winter months.
- They may be able to benefit from other government support and should seek further advice.
- They may decide to make staff redundant – if so, they should follow the usual redundancy procedures.

Alternatives to redundancy

- The Job Retention Bonus – note that use of the JSS does not make a company ineligible to claim for the bonus
- Lay-off/short-time working
- Reduce employee hours/pay – staff will need to agree to this
- Implement a recruitment freeze
- Redeploy staff who have seen a downturn in work
- Encourage staff to take a sabbatical



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