

Extension of the Job Retention Scheme and Planned Changes

The Chancellor of the Exchequer, Rishi Sunak, has announced that the current Job Retention Scheme will remain in place until the end of July. So, for furloughed employees or those with care responsibilities, the Government will continue to pay 80% of their salary/pay up to a maximum of £2,500 per month.

In addition, a revised scheme will be introduced from the beginning of August which will run until the end of October. It will allow furloughed workers to return to work part-time but employers will be asked to pay a percentage towards the salaries of their furloughed staff.

Apparently, more details of the adjusted scheme, how it will operate and its implementation will be made available by the end of this month.

Government Guidance on Returning to Work

Most of you will be aware that, last weekend, the Prime Minister announced an outline of the plans for bringing the country out of lockdown, including guidance on allowing people to return to work. Initially, there was considerable confusion because no detail was provided in Boris Johnson's TV appearance. Subsequently, however, a lot of documents have been issued by the Government which have provided some clarity.

The key point to make is that anyone who is able to work from home must continue to do so. Non-essential businesses will not be allowed to reopen until it is deemed that coronavirus is under control but a staged approach could see some coming back into operation as early as June.

In the meantime, plans can be put into place so that employers to assess and confirm that it is essential for employees to be present in the workplace, that it is safe for them to be there and that every member of the team is confident that the actions taken will provide them with the peace of mind that their working environment is safe.

The guidance published by the Government has focussed on eight specific working environments, namely:

- construction and outdoor work;
- factories, plants and warehouses;

- laboratories and research facilities;
- offices and contact centres;
- working in other people's homes;
- restaurants offering takeaway or deliveries;
- vehicles.

Here is the link to the information – [workingsafely](#) – which provides specific details for each particular working environment but there are general themes running through them all. There is an understandable heavy emphasis on the importance of carrying out Covid-19 risk assessments, ensuring thorough cleaning processes and redesigning workplaces to allow employees to stay two metres apart when possible.

All employers will be expected to carry out risk assessments in preparation for employees returning to work, in consultation with workers or trade unions. Where possible, the risk assessments should be published on company websites.

It has also been suggested that shift times are staggered and that employees work in fixed teams – both actions will reduce the number of people coming into contact with each other.

It has to be emphasised that the Government information is for guidance only. With every working environment presenting its own peculiarities and unique issues, the advice will have to be adapted and interpreted to allow the guidelines to be applied effectively. So, owners, directors and managers will have to make their own decisions to secure a healthy, safe working environment which meets the duty of care employers have to their employees.

Encouraging Your Employees to Return to Work

There may be an expectation that, as soon as it is possible for your employees to return to work, they will come back as soon as possible. However, it may not be as it seems.

Here are some of the potential issues for which you may have to plan:

- schools may not be open at the same time as your employees return to work. If so, you could find that members of your team with caring responsibilities request to remain on furlough which they have the right to do;
- employees may be unable to work because they are shielding in line with public health

guidance or they are required to stay at home with someone who is shielding;

- looking ahead, it is probable that some staff will contract coronavirus and go off sick which will result in you having to take appropriate action in the workplace;
- some of our clients have furloughed their people but then had justification to bring them back to work. In doing so, some employees have been reluctant to come back because, it appears, they are content being at home, receiving 80% of their pay for doing nothing.

Although different approaches and solutions will be required, each of the above issues are manageable. It is believed that the major barrier to getting people back to work is to convince them that they are returning to a safe working environment where care for their health is the primary concern.

Effective communications on the actions you have taken or are going to take are at the heart of convincing your employees that they should return to work. Remember also that the partners and family of your employees will need to have the peace of mind that your working environment is safe for their parents, husbands, wives or children. So, in addition to speaking with your staff to explain your actions, it would be beneficial to provide supporting written documents which they can take home to consider at their leisure and, hopefully, to offer reassurance to their families.

To provide a safe working environment, it is essential that you comply with the Government's advice as much as you can and explain what you are doing to your team and why you are doing it. You should also invite their suggestions for improving safety as well as actively encourage and promote their contribution. By doing so, you are far more likely to gain their commitment. Some of their ideas may not be practical or realistic but, by explaining why, the probability of acceptance of your actions and decisions will be much higher.

Some employees may believe there is no longer a risk and ignore the measures you have introduced. Action should be taken immediately to ensure that they comply. If not, they will be exposing themselves and their colleagues to unacceptable risks.

Of course, some may still refuse to return to work. This will mean that they are in breach of their contract of employment and so, ultimately, you will be able to dismiss them. However, we are experiencing exceptional circumstances where people are understandably worried and nervous. Working on reassuring them and building their confidence is going to have much greater benefit for your organisation than, potentially, losing experienced members of your team.

COVID-19 – How Will It Affect Working Practices and Our Approach to Business?

The past couple of months has seen radical change to the working life and practices to which we have become very accustomed. People have been told that they must not come to work because they are putting at risk either themselves or relatives for whom they care. Millions are being paid 80% of their pay by the Government not to work for their employer. Others have been told that there is no need for them to come to their normal place of work but, instead, can work full-time from home.

What impact is this going to have on the future of work both in the short-term and longer term? What issues may arise and how will you manage them?

Economic Factors

It has been reported extensively that the crisis is having a severe adverse impact on our economy. Some companies have announced that they are to close or that they intend to make many people redundant. Confidence has been hit hard and it is likely that it will take some time to recover. So, how is the climate going to affect your organisation even when the Government confirms that the virus is under control and people can return to work?

Now is the time to review your business plan to establish whether you need to revise sales forecasts and if demand for your goods or services will be affected. This will allow you to establish the resources you need which, in turn, may lead to reorganisation and restructure. An action plan can then be put in place.

Impact of Furloughing

Most of our clients have furloughed at least some members of their teams for the last six weeks or more. With certain employees being absent, one or two clients are now questioning what the individuals actually do because their contribution has not been missed! The Job Retention Scheme and furloughing was designed to stop employers making employees redundant because the impact of COVID-19 is seen as a short-term issue. If it has become apparent that an employer can do without certain members of the team in the longer term, it would seem to be an appropriate time to act. This might seem harsh but it does make good business sense.

We know that the Job Retention Scheme has been extended in its current form until the end of July. After that, a revised scheme will run until October. Full details of how it will operate will be published shortly but it is almost certain that employers will be contributing to the 80% furlough pay. The new arrangements may work for you but it is possible that the additional costs will not be sustainable.

Consequently, it is imperative that, as soon as the information on the revised scheme is available, you assess whether or not it will work for you. If not, there will be a need to begin to put alternative plans and arrangements in place.

'Returning To Normal'

One of the most common expressions we have heard from people in recent weeks is that they are looking forward to 'returning to normal.' But what does this mean from a working perspective? Is it that we will all go back to the way our businesses and organisations were operating prior to lockdown? If, however, the alternative ways of working we have introduced recently are proving more effective on such key matters as cost, time-management, customer service or impact on the environment, why should we revert back?

If the only reason is that people are more comfortable with the familiar and they do not like or want to accept change, it would be wrong to simply return to it. If there are commercial or other advantages to be gained, it would make sense to do so. Consequently, it is recommended that action is taken to formally assess the new working practices against the old to establish which offers greater benefit.

Care will have to be taken in making the assessments. Remember, in the current environment, people have not really been given an option as to whether or not changes in working practice are acceptable to them. So, for example, many are now working from home. There are definite benefits for their employers to continue this practice because it could result in considerable savings particularly regarding property and associated costs. However, are the employees going to be comfortable continuing working from home when the crisis is over? If they are enjoying it, there will not be an issue but we have heard that many are feeling isolated and want to return to the 'community' of an office or other working environment. So, it may be difficult to get them to accept some changes on a permanent basis particularly if their contracts of employment support their preferences.

Re-Establishing Employee Confidence in Their Employers

At the moment, the media is focussing on negative and depressing news. To many, it has become overwhelming. We are hearing that employers are struggling financially and that we are entering a major recession with recovery likely to be slow. In addition, employees have been furloughed which, in effect, means they have been told that they are not needed. Although you know the decision to furlough was not personal but related to the crisis, factors of this nature lead to employee insecurity as well as their confidence in their employers being undermined.

Although we would not want you to mislead your people, when employees return to work and providing it is justified, you should do your utmost to convince them that they are important to the business and that their contribution is valued. A failure to do so could result in the loss of key members of your team.

Managing Annual Leave Through The Crisis

Our clients are expressing their concerns that members of their teams are still accumulating holiday entitlement whilst they are working from home or on furlough leave but that no-one wants to take holiday because there is nowhere to go! The fear is that everyone will wait until restrictions are lifted which will result in most employees going on leave at the same time.

How can this be managed? Much will depend upon what is prescribed in the employees' contracts of employment. If someone is continuing to work (whether from home or their normal workplace) then, providing the contract states that holiday entitlement will be forfeited at the end of a holiday year, they will have no right to carry it over.

The situation is different with furloughed employees. They can choose to have holidays when on furlough leave and they are entitled to 100% pay for the days' holiday taken although 80% can still be claimed back from the Government. Normally, employers cannot force employees to take holiday whilst on furlough leave. The exceptions are where there is appropriate provision in the contract of employment or the employer gives sufficient notice and warning of its intention to specify when an employee should take holiday. The reality is that it would be simpler and probably avoid less confrontation if it is proposed that an employee should take holiday, explaining why it would benefit the business.

The Government has announced an initiative which changes the law relating to employees' entitlement to annual leave and employers' related obligations.

Workers are entitled to a minimum of 28 days' holiday each year, inclusive of bank holidays. The relevant regulations specify that most of this entitlement cannot be carried over from one leave year to the next, meaning workers lose their holiday if they do not take it. There is also an obligation on employers to ensure their workers take their statutory entitlement in any one year.

In order to cope with holiday-related issues, new regulations will allow up to four weeks' unused leave to be carried over from this year and taken across the next two leave years. Consequently, the pressure has been removed from employers having to ensure that members of their teams take the required statutory amount of annual leave in any one year.