IMPACT OF CORONAVIRUS ON THE WORKFORCE

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Coronavirus Webinar – 20 March 2020

• Sick Pay and Self-Isolation

• Other Absences

• Resource Efficiency Options – Reducing Costs

• Lay-off and Short-time Working/Redundancy
Sick Pay and Self-Isolation

11 March 2020, the Chancellor announced Statutory Sick Pay (SSP) extended (temporarily) to cover:

• individuals who are unable to work because they have been advised to stay at home (self-isolate); and

• people caring for those within the same household [children or elderly relatives] who display coronavirus symptoms and have been told to self-isolate/stay at home.

Eligible to receive SSP, which is currently paid at a rate of £94.25 per week. SSP will be paid from the first day of absence (without the need for the three waiting days) paid retrospectively with effect from 13 March 2020.

Small businesses [250 employees or less] can claim back up to 14 days’ SSP (coronavirus related) per employee.
Sick Pay and Self-Isolation

Government **Stay at Home** Guidance [as at 20 March)

Anyone showing symptoms of COVID-19, i.e. new continuous cough and/or high temperature

- To stay at home for **7 days** from onset of symptoms
- If you live in a household with someone who has symptoms (you feel well), stay at home for **14 days**
- If you develop symptoms during the 14 days, you stay at home for **7 days** from the onset of your symptoms, even if that extends beyond 14 days.

**Employees who Choose to Self-isolate**

- No entitlement to sick pay or normal pay

**However:** Employers will want to explore reasons why (e.g. vulnerable family member, pregnancy), consider on a case by case basis and act reasonably in the circumstances
Other Absences - Options

• Time off to care for dependants (unpaid)

• Parental leave (unpaid)

• Working from home (where possible)

• Annual Holiday

• Unpaid Leave (consent)
Resource Efficiency Options - Reduce Costs

Note: **Employee Support Package** – Government announcement imminent [20 March] [employment law in the UK has not changed]

- Restrict recruitment
- Withdraw job offers (contractual notice)
- Defer start date of new leavers (with consent)
- Reduce non-permanent individuals (e.g. agency staff, temps, consultants, contractors) – all have limited employment rights
- Unpaid leave
- Enforced annual holiday (WTR requires employers to give employees correct notice of this)
Lay-off and Short-time Working

If **contractual** right exists:

- Lay off on zero pay for a ‘reasonable time’
- Employee entitled to 5 days’ guarantee payment of £29 (£30 wef 6 April 2020) in any 13 week rolling period
- Employees can give notice requesting statutory redundancy payment (SRP) after 4 weeks’ continuous lay-off or 6 weeks out of 13 week rolling period
- If such notice is given, the employers has 7 days to serve counter notice that it reasonably expects that within 4 weeks of the employee’s that the employee will be back at work

**Short-time Working**

- Employee works and is paid less than 50% of normal weekly pay
- Provisions re SRP outlined above apply here too
- Where a **contractual DOES NOT** exist – employer must obtain consent
Lay-off and Short-time Working

Where no contractual right to lay-off or short-time exist and the employer IMPOSES such working without consent, employee can bring a claim before an Employment Tribunal for unlawful deduction from wages or constructive dismissal.

Redundancy (Employment Rights Act 1996)

- The employer has ceased/intends to cease to carry on the business for the purposes of which the employee was employed — or has closed/intends to close the place at which the employee was working; or
- The requirements of that business for people with the particular skills of the employee have ceased or diminished/expected to cease or diminish.

Redundancy = dismissal by reason of redundancy. If a fair procedure is not followed, or a genuine redundancy situation does not exist, the employee may be able to make a claim to an Employment Tribunal for unfair dismissal.
## Lay-off and Short-time Working

When to begin consultation

<table>
<thead>
<tr>
<th>Number of Redundancies</th>
<th>When to begin consultation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 20</td>
<td>No set rules</td>
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<tr>
<td>20 to 99 redundancies within 90 days in one establishment</td>
<td>30 days before the first redundancy</td>
</tr>
<tr>
<td>100 or more redundancies within 90 days in one establishment</td>
<td>45 days before the first redundancy</td>
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</table>
If an Italian style ‘lockdown’ situation were to occur in the UK responsibility for managing the impact on the workforce within individual businesses would fall to the employer to deal with in line with the information provided earlier.

Statutory sick pay or company sick pay rules would not apply in this situation.
ANY QUESTIONS?