

Coronavirus - Guidance to Employees and Line Managers

We hope everyone managed to enjoy the recent Spring Holiday break as best they could.

The UK Government has advised that we will remain in 'lockdown' for a further minimum 3 weeks. It is not for us to speculate on the exit strategy for this event however as we have previously intimated this may be a longer-term issue before we see any return to normal business operations.

There is no significant change in our business since our last update, we continue to furlough circa 40% of employees and individual business units are operating as and where they are able, to meet customer demand.

Business units, in conjunction with the SHEQ team, are implementing working practices and measures required to allow works to continue safely. They are also reviewing working practices in anticipation of a phased increase in workload taking cognisance of social distancing and other safety related requirements.

It can be frustrating not knowing what the next few weeks and months may look like, we would ask all employees to consider their own mental health and wellbeing. Some simple considerations are noted below which may assist: -

- stay connected with friends, family and colleagues, use online facilities to assist
- keeping busy with hobbies, crafts, reading, watching films and home improvements
- physical activity, such as walking, running and online exercise classes
- staying calm, thanks to mindfulness, meditation, prayer or pets
- information intake - managing your access to news and social media
- maintaining routine by having a daily plan

We will continue to keep you informed on a regular basis so you don't feel out of touch with what's happening at work and your line manager will stay connected with you whether working from home or during furlough leave.

We are aware you may have questions relating to this event and whilst it is difficult to resolve every scenario, we attempt to answer some key issues relating to furlough and holiday leave which have been the main topics received.

Furloughed Workers

The furlough process is ongoing, Business Unit Managers will endeavour to rotate employees where possible to provide working opportunities. The information on eligibility is changing on a regular basis and is still in some respects open to interpretation.

We still await definitive information from the Government and may require some assumptions on pay until we have access to the HMRC scheme details. Our intentions at this time in regards pay for furloughed employees are as follows; (please note this is in line with Government wording, this may change if the HMRC portal confirms otherwise)

Full or Part Time employees on a fixed salary

We will pay 80% of monthly salary up to a maximum of £2,500.00. The salary will be calculated based on the last pay period prior to 19 March 2020 (i.e. Feb 2020), excluding any bonus payment.

Full or Part Time employees whose pay varies

We will pay 80% of average earnings over the last tax year (or pro-rata of a year for employees with less service) or the same month's earning from the previous year, whichever is the higher. Earnings will include overtime payments but not bonus, up to a maximum of £2,500.00.

Any benefit in kind payments will continue in full e.g. car allowance, expenses, pension contributions etc. All payments will be subject to normal deductions e.g. tax, NI, pension, salary sacrifice etc.

Due to the complexities of this with our payroll system we will have to manually calculate furloughed employee's salaries. Every effort will be made to ensure accuracy however should there be any anomalies we will endeavour to resolve in the following pay month. As example;

- Some people were furloughed in the last week of March and will have received full basic pay for that week instead of furlough pay, this will require to be adjusted.
- Some people may be furloughed in the month of April and potentially return for the last week. This may result in receipt of furlough pay which should in fact be normal pay for that week.

We will be paying Bank Holiday (and any holiday pay) in full. (please note; Government have updated that you can take holiday whilst furloughed, please discuss with your line manager)

We ask for your patience and understanding as we manually adjust pay due to the timing issues in running payroll. Your payslip may look different from normal, please be assured we are endeavouring to provide accurate monthly salary.

We recognise this is a challenging time. Business Units are endeavouring to rotate workforce where possible to reduce the impact and we encourage the use of holidays to soften the impact of reduced pay.

Both Employee and Employer Pension contributions can be reduced to auto enrolment levels. For Employee this is currently set at a minimum of 5% and Employer the minimum is 3%. At this time we have no intention of reducing the Employer contribution, however employees can reduce their contribution level if they wish.

Holidays

As stated in our last update we continue with our Temporary Holiday Arrangement Policy. Part of this includes the requirement for all employees to use their current holiday entitlement, with no more than 10 days remaining by the end of August this year. This has prompted a number of questions, as example;

I had 12 days authorised for a holiday in October this year, I need to keep 3 back for Xmas, this totals 15 days. The temporary policy states I am only allowed to use 10 days from the 1st September, what do I do.

As you have already pre-booked your holiday in October, prior to temporary change in policy, leeway will be allowed for this. All other remaining holidays should be taken before the end of August.

I have 3 days leave booked in May, the tour operator cancelled the holiday and no refund has been given, my only option is to rebook later in the year. With the requirement to only have 10 days remaining at 1st September and other holidays already booked for the second half of the year I will not have enough holidays to take? What are my options to take the 'deferred' holiday?

Unfortunately it may be that we insist on holiday being used despite impact of holiday/flight operators. This is a personal issue to resolve perhaps by moving the holiday to next year or challenging via ombudsman or claiming travel insurance. The Temporary Holiday Arrangement Policy has introduced an option to bring forward up to 5 days holiday. Subject to management approval and in exceptional circumstances, it may be possible to bring holidays forward from next year to avoid impact of cancelled package holiday.

I am on Furlough, when can I use holidays?

We encourage the use of holidays and request you engage with Business Unit Managers to agree timing. This will assist with workload planning and best use of the Coronavirus Job Retention Scheme. Government guidelines have been updated and you can use holiday entitlement whilst furloughed where you will receive 100% of normal pay.

I am on Furlough, I want to retain holidays for when everything is back to normal.

As per our temporary holiday arrangements, we require all employees to use their current holiday entitlement with no more than 10 days remaining by the end of August this year.

Ideally this will be by mutual agreement however the company may require employees to take annual leave on particular days and will specify the day or days on which leave is required to be taken. Notice will be provided which will be at least twice the period of leave it requires the worker to take. For example, if the employer requires the employee to take one week's annual leave at a particular time, we will provide the employee with at least two weeks' advance notice.

Whilst every effort will be made to accommodate a holiday request, annual leave will be granted in consideration of the needs of the business and the department's access to resources at any given time.

We appreciate some of this is not ideal, we thank you for your understanding during these unprecedented times.