

change
coming

This Week in Employment Law

26-10-2020

Major changes made to the Job Support Scheme

The Government, on 22 October, made some significant changes to the new Job Support Scheme (JSS) with only a week to go until its commencement. We explore what employers need to know below:

- The JSS begins on 1 November 2020 until 30 April 2021. It is separated into two categories: JSS (Open) and JSS (Closed).
- JSS (Open) – employees must work for at least 20% of their normal working hours with the wages covered by their employers.
- For the hours not worked, employers will be asked to contribute 5% of employees' wages to a maximum of £125 per month per employee, whilst the Government contributes 61.67%, to a monetary cap of £1,541.75 per month per employee.
- Larger businesses still need to meet a financial assessment test to show that their turnover is the same/lower due to coronavirus.
- JSS (Closed) – businesses required to close as part of local/national lockdown will receive wage assistance for employees who do not work for a minimum of 7 calendar days. Large businesses won't need to meet a financial assessment test.
- The Government will pay two thirds of each employee's salary, up to a maximum of £2,083.33 a month per employee.
- Employers won't have to pay towards staff wages, except for National Insurance Contributions and pension contributions.
- For an employee to be eligible, they must have been on the employer's PAYE payroll between 6 April 2019 and 23:59 on 23 September 2020.
- Claims must be made in arrears from 8 December 2020.

Coronavirus Job Retention Scheme ending soon

The Coronavirus Job Retention Scheme, often called the furlough scheme, will be coming to an end at the end of this week on 31 October 2020. Government data shows that the most employees were furloughed in May at 8.9 million. Retail and wholesale sectors have made the most use of the scheme, followed closely by the accommodation and food services sector.

Did you know?

There are a number of options that employers have post-furlough. If the JSS is not a viable option, employers may want to explore laying staff off if there is a downturn in demand. There should be a contractual term permitting this, otherwise the employee must agree to it.

Uber sued over 'robo-firing' algorithms

Ex-drivers for Uber have taken the firm to court, alleging that they had been unfairly dismissed after automated "robo-firing" algorithms dismissed them and failed to explain why. The court proceedings will be taking place where Uber's data is based in the Netherlands. Uber itself has countered saying that the drivers were dismissed after being reviewed by a human.

Did you know?

Employers should always use a fair and reasonable procedure to decide whether or not to dismiss someone to avoid unfair dismissal claims. An algorithm's decision to dismiss a person may be perceived as unfair, even if valid, as it will be difficult to argue that the algorithms process was fair.

EAT considers when notice of redundancy is served

The Employment Appeal Tribunal has held that an employment tribunal did not give sufficient reasons for deciding the point at which an employee was given notice of her redundancy: whether at the point it was delivered, or when she actually read it on return from her two week holiday. The case has been sent back for more detailed reasons to be given..

Did you know?

Determining the point at which notice has been 'served' is key because the calculation will affect the length of the employee's service, and whether their minimum notice period has been provided.

Employers must make their claims in arrears as government contributions will be made in respect of actual costs incurred, unlike the furlough scheme. Our 24-hour Advisory Service is on hand to provide up-to-date guidance on this and more.

Please contact the 24 Hour Advice Service for advice on your specific situation before acting on the information in this publication.