

COMING SOON

This Week in Employment Law

31-05-2021

Furlough changes coming this July

There is one month remaining until changes are made to the structure of the Coronavirus Job Retention Scheme (furlough scheme). We explore what employers should know below:

- The furlough scheme was put in place to support employers unable to operate as normal due to the coronavirus pandemic.
- As confirmed by the Government Budget delivered on 3 March 2021, the scheme will continue on until the end of September 2021 with some adjustment to funding levels from July 2021.
- Until the end of June 2021, the grant remains at 80% of wages to a maximum of £2,500 per employee per month for their unworked hours – employers have the option to top this up to 100% of wages.
- As of 1 July 2021, the Government's grant will reduce to 70% of employees' wages for unworked hours at a cap of £2,187.50.
- Pay for furloughed employees must remain at a minimum of 80% at a cap of £2,500, meaning employers must contribute 10% to furloughed staff wages up to £312.50.
- From 1 August 2021 until the scheme ends, the Government's grant will reduce a final time to 60% of furloughed employees' wages for unworked hours, at a cap of £1,875 per month.
- With the 80% rule still in place, employers will need to contribute 20% to staff wages up to £625 per month from August.
- Employers will also need to continue making national insurance and pension contributions until the end of the scheme.

Workers given protection in health and safety cases

As of 31 May 2021, the law offering protection to employees in health and safety cases has been extended to workers. Workers now cannot be subjected to a detriment by their employer for leaving or refusing to return to their workplace, or for taking steps to protect themselves, in circumstances of danger which the workers reasonably believe to be serious and imminent.

Did you know?

This new legislation could mean that employers asking workers to return to the workplace during the current pandemic have even greater responsibility placed on the need to ensure that rigorous risk assessments are conducted.

Business leaders forecast long-term changes

In a recent survey by the Institute of Directors, many businesses are looking to make longer-term changes to how they operate. Reflecting reports of increased remote working over the long-term, around 80% of business leaders said they would use working from home arrangements more in the future and 20% plan to make more use of co-working spaces and hotdesking.

Did you know?

Employers are not obligated to implement flexible working arrangements on a permanent basis. However, doing so may offer an opportunity to diversify the workforce and unlock ways to recruit and retain new talent.

Tribunals see rise in age discrimination cases

New research by Rest Less, a digital community for people over 50, has found that the number of age discrimination cases going to the Employment Tribunal has increased by 74% in the past year. The number of redundancies amongst over 50s was recorded at 284,685 in 2020 and Rest Less has predicted that this form of discrimination will continue to soar in coming months.

Did you know?

Age discrimination is generally unlawful under the Equality Act 2010 unless it is objectively justified or falls within one of the Act's specific exemptions, e.g. the action was appropriate and necessary.

Employers already have the option to top-up furloughed employees' wages to 100%; however, the requirement to top-up wages to 80% from July 2021 will not be optional. Contact our 24-hour Advisory Service for 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.