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COVID-19 sick pay and support for businesses and employees

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We are living in unprecedented times and following on from Boris Johnson's <u>announcement</u> earlier this week, the UK is ultimately on lockdown. Lauren Cullen looks at the options for employees and employers alike.

Many industries' employees, with the use of technology, can work from home. However, this does not apply to all industries and in other cases, employees may be in self-isolation having displayed the symptoms of COVID-19.

What to do?

The first port of call for both employers and employees is to check the provisions of any employment contract and staff handbook to see if there is a contractual sick pay entitlement and to take matters from there, factoring in the below considerations.

Absent contractual sick pay

The Government have relaxed the rules on statutory sick pay (SSP), which currently stands at £94.25 per week.

In normal circumstances, SSP is only available from day four of sickness, however, the pandemic has resulted in the Government amending legislation so that SSP applies from day one. Furthermore, if an employee remains at home in self-isolation because someone else in their household is displaying COVID-19 symptoms, they too can now claim SSP.

Usually an employer would require a doctor's note if an employee is off for more than seven days, but as a trip to the doctors counters self-isolation measures, employees can obtain a self-isolation note from the NHS 111 website, which all employers should accept in view of the current situation.

What about the self-employed?

Self-employed people are not entitled to SSP and as such if they have COVID-19 and/or are self-isolating the Government have advised that they can claim <u>universal credit</u> or <u>employment support allowance</u>. However, more plans are to be revealed by the Chancellor, later today, 26 March.

What about businesses struggling to meet their costs?

If an employer cannot cover their staffing costs due to the impact of COVID-19, under the <u>Coronavirus Job Retention Scheme</u>, all UK employers can access support to continue paying part of their employees' salary for employees that would otherwise have been laid off due to the pandemic.

If an employer intends to gain support under the Scheme, they may ask an employee to become a <u>furloughed</u> <u>worker</u>. This would mean that the employee would be kept on the payroll rather than being laid off. The usual rules of employment law would continue to apply. Any employer looking to utilise furloughed workers must seek the employee's agreement first and reflect this in their employment terms and conditions.

To qualify under the Scheme, employees should not carry out any work for their employer while furloughed. This will allow the employer to claim up to 80% of their wage with a cap of £2,500 a month. The Scheme has been backdated to 1 March 2020 and will run for three months (to be extended if necessary).

If an employee's salary is reduced under the Scheme, they may be entitled to support from the welfare system.



For more information on the changes to SSP or any item in this article, call Lauren Cullen today.

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Note: This is not legal advice; it is intended to provide information of general interest about current legal issues.





