



Flexible Furloughing, re-structures and redundancies – getting it right

Now restrictions are being lifted, our thoughts turn to what is the new normal and how that will affect businesses going forward.

Are you “unlocking” your business as the pandemic restrictions are beginning to be eased?

With Government funding under the Coronavirus Job Retention Scheme changing in the coming months, and employers having to contribute towards the costs of furloughing from August, you may need to start thinking about how this will affect your business and what you need to do.

You need to factor in that, although your business has had to change to a new way of working, and many have found a new way of getting things done, what hasn't changed is the need to follow employment law.

If you think you may need to make some jobs redundant in your business, it is important to allow sufficient time and follow the correct process as mistakes can be expensive. The important things to remember are:

- ◇ Carrying out a meaningful consultation,
- ◇ Ensuring you arrive at a non-discriminatory and fair selection,
- ◇ Preparing clear unambiguous documentation, and
- ◇ Ensuring your workers' statutory and contractual rights are respected.

You could be in a position where you are retaining your staff, using the Flexible Furlough funding scheme that the Government recently announced; this arrangement may suit your particular business circumstances well. The process for this is relatively simple, but calculations can be complex, and there are contractual considerations here too, particularly in making sure that what you have agreed is correctly documented.

If you have staff already furloughed, or have someone returning to work after, say, Maternity Leave, you can continue to keep them furloughed if that fits with your business needs. Just remember that from August your Company is required to cover some of the costs for furloughed workers.





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Also, remember to factor in that holiday entitlement continues to accrue for your current staff, at a time when they are not likely to be taking any annual leave. There are new temporary laws to allow carry over of some accrued statutory holiday leave, but you might also want to consider agreeing with staff who are furloughed that some of that time is taken as holiday, to limit and manage the balance of leave later on, when your business needs them to be working. A reasonable and non-discriminatory approach is needed to ensure you don't create one problem as you are trying to solve another!

Of course, it could be that you are also thinking of a restructure, which will mean a variation of hours or duties for some in your business. This too will require consultation and correct documentation to avoid any HR issues further down the line.

Maybe you are in the fortunate position of having to take on more staff, either permanently or temporary, or you may have a combination of any of these scenarios. In this case, you need to think about how you will ensure you get the best new recruits, how you will manage the interview and induction processes for these new starters. Ask yourself, are my employment Contracts fit for the “new normal”? Should you consider having a furlough clause and provision for home working in any new Contracts?

We are working with some of our clients as they right-size and manage their businesses through the lockdown and beyond, to ensure they follow a fair process and stay within the rules, retaining the roles and skills they need to keep their business going.

If you would like to receive our free guidance paper on changes to the furloughing rules and Coronavirus Job Retention Scheme, then please feel free to [email us](#).

If you need support or further guidance in managing your staff resource and HR procedures, IRS are here to help. One of our friendly team will be happy to take your call on 01502 719000 or email us on hr.services@irs-group.co.uk

