



06<sup>th</sup> October 2020

## **JIB-PMES Participant employer update**

### **1. Government Support for Employers**

#### **1.1 The Coronavirus Job Retention Scheme (CJRS)**

The scheme is still due to come to an end on 31<sup>st</sup> October 2020. The current rates of support (October 2020) are as follows:

- Government will provide up to 60% of furloughed workers wages (up to a maximum of £1,875 per month); Employers will continue to pay NI and pension contributions and will contribute 20% towards furloughed workers wages (up to a maximum of £625 per month. The total maximum wage for those on furlough leave remains £2,500 per month)

The latest information on guidance on the Coronavirus Job Retention Scheme is available on the Gov.UK website via the following link: <https://www.gov.uk/government/collections/coronavirus-job-retention-scheme>

#### **1.2 The Job Support Scheme**

From 1st November 2020 for 6 months the government will top up wages for those employees working shorter hours than their 'normal hours' for businesses facing lower demand due to COVID-19. The main conditions of the scheme are summarised below:

- Employees must work at least 33% of their usual hours.
- For every hour not worked
  - Government will cover 33% of employee's usual pay (capped at £697.92 pm)
  - Employer must cover at least 33% of employee's usual pay.
- Employee must not be on a redundancy notice.
- Employer will be re-imbursed in arrears.
- Employer must have a UK PAYE scheme and UK bank account.
- All small and medium enterprises will be eligible.
- Larger businesses can claim if can demonstrate adversely affected by COVID-19. The government expects large employers not to make distributions while using the scheme.
- Employers can still claim the Job Retention Scheme bonus in 2021, even if claiming under the Job Support Scheme.

#### **Worked example**

- *Phil is an Advanced Plumber who normally works 5 days per week (37.5 hours) and earns a weekly wage of £597.75. The company Phil works for has lost a significant amount of work as a result of Covid-19 disruption. Rather than making him redundant, Phil's company puts him on the Job Support Scheme, working 2 days per week (40% of his usual hours).*
- *Phil's employer pays him £239.10 for the days he works.*
- *And for the time Phil isn't working (3 days or 60%, worth £358.65), he will also earn 2/3 of his normal wage or £239.10, bringing his total earnings for the week to £478.20 – 80% of his normal wage.*
- *The Government will provide a grant worth £119.55 (1/3 of the hours not worked, equivalent to 20% of his normal wages) to Phil's employer.*

### **1.3 JIB-PMES Board determination on the Job Support Scheme (JSS)**

The JIB-PMES Board industrial parties signatory representatives (APHC, NFB and Unite the Union) to the JIB-PMES National Working Rule Agreement, have agreed the following determination:

*'This determination has been made in the interests of JIB-PMES participating employers and their employees to mitigate against the unpredictability of these difficult and unprecedented times.*

*It should be noted that the 37.5 hour guaranteed working week remains a cornerstone of the JIB-PMES National Working Rule Agreement*

*It has been agreed that for a limited period, operatives can be paid in accordance with both the government's Coronavirus Job Retention Scheme and also the Job Support Scheme. This will continue to be reviewed on a regular basis.'*

### **1.4 Bounce Back Loan scheme**

The Government is extending the cut-off date for new 'Bounce Back Loan' applications to 30<sup>th</sup> November 2020 and has also announced greater flexibility on repayments.

'Pay as you Grow' is introduced, providing borrowers with following extra options:

- to repay loan over a period of up to 10 years,
- to temporarily make interest-only repayments for up to 6 months (an option which can be used up to 3 times during the loan), or
- to pause payments entirely for up to 6 months (can be used once, and only after made initial 6 repayments).

The existing details for taking out loans remain the same, i.e.;

- loans are between £2,000 and £50,000,
- loans are capped at 25% of turnover,
- government will cover interest for first 12 months
- no repayments necessary for first 12 months, and
- 100% government guaranteed for lender.

### **1.5 Coronavirus Business Interruption Loan Scheme (CBILS)**

The Government will allow lenders to extend the term of loan repayments up to 10 years. The existing details for taking out loans remain the same, i.e.:

- Loans of up to £5million are available with an 80% government guarantee to the lender
- The Government will cover loan interest for the first 12 months.

### **1.6 VAT Deferral 'New Payment Scheme'**

Any VAT payments which were due in March to June 2020 and deferred were originally due for repayment by 31st March 2021.

- This deferred VAT can be repaid, interest free, over 11 equal instalments from April 2021
- Businesses will need to 'opt in' to take advantage
- All businesses with deferred VAT are eligible
- Further details and process will be available in early 2021.

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### **Note of reminder (NWR Appendix H 2.2):**

*"It is recommended in the light of redundancy that employers consult with Unite the Union, if the number of operatives being made redundant in any one instance is less than the statutory minimum of 20. If the number is 20 or more, then the employer MUST consult with Unite the Union, which shall have sole bargaining rights in this matter."* If this applies, please contact the JIB-PMES and we will put you in touch with the appropriate Officer from Unite.

## **2. JIB-PMES Sickness Benefit claim procedure for operatives required to ‘self-isolate’ due to Covid-19**

The JIB-PMES Sickness Benefit scheme pays operatives sickness benefit at the appropriate rate from the 4<sup>th</sup> day of illness (i.e. after 3 days ‘waiting time’ [waiting time days are paid in full if the period of illness extends beyond 4 weeks]).

Current government guidance is that anyone who has been in contact with someone who has been confirmed with a case of Covid-19, or is showing symptoms of Covid-19 and is awaiting the results of a test, should self-isolate for a period of 14 days from the last time that they were in contact with the infected/symptomatic person.

If you have operatives who have been asked to self-isolate, you should ask them to go online and complete a Covid-19 isolation note:

- <https://111.nhs.uk/isolation-note/>

Once completed, the operative should send a copy of the note to you, as their employer. If you, as the employer need to check the validity of an isolation note, you can do so via the following link:

- <https://111.nhs.uk/isolation-note/check>

In cases where a valid NHS Covid-19 isolation note is provided in support of a JIB-PMES Sickness Benefit claim, the JIB-PMES will pay the appropriate level of sickness benefit for the operative up to a maximum of 14 days, or until the operative returns to work (whichever is sooner). ***The JIB-PMES will undertake checks to confirm the validity of isolation notes.***

**Note:** *Sickness claims for any illness or injury other than those for Covid-19 should be made in the usual manner. In such cases the usual scheme conditions apply (benefits are payable from the 4<sup>th</sup> day of illness, and only up to 7 days if an operative ‘self-certificates’ without providing a valid doctor’s note).*

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## **3. Holiday Credit Scheme values for 2021 Holiday Year**

JIB-PMES Promulgation 184 ‘Holiday Credit values for 2021’ was issued to Holiday Credit participant employers in August 2020.

If you did not receive a copy of this promulgation, or would like an additional copy emailing out to you, along with the Holiday Credit calendar for 2021; please contact either Kevan Holmes ([Kevan.Holmes@jib-pmes.org.uk](mailto:Kevan.Holmes@jib-pmes.org.uk)) or Luisa Albone ([Luisa.Albone@jib-pmes.org.uk](mailto:Luisa.Albone@jib-pmes.org.uk)).

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## **4. Reminder: Access to welfare benefits**

Please note that your ability to access the full range of JIB-PMES welfare benefits (including Death in Service benefit) is dependent on continued up to date payment of Holiday Credits or Welfare Benefit payments for your operatives.

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Wishing you all the best, and hoping you stay safe.

**JIB-PMES**  
**06/10/2020**