

UK Hospitality: Tips on how to deal with your employees during COVID 19

Before you take the leap into reducing your staff numbers due the business diminishing, here are few ways to retain your valuable staff and reduce costs.

Before taking any of these steps, check your contracts of employment and staff handbooks which will outline what measures you are able to take, contractually and if you recognise a trade union, don't forget to consult with them first.

- Ask your team to take their holiday entitlement, that they have already accrued now, as you will need still to pay if they eventually leave.
- Offer sabbaticals or ask for volunteers to take unpaid leave. This practice will need agreement from the employee in writing.
- Freeze wage increases as normally the commitment is to review wages annually, not increasing.
- Remove non-contractual benefits and bonus schemes.
- Reduce the number of hours worked, to the contractual hours (as many in the hospitality sector are on zero or minimum hour contracts).
- 'Lay off' employees, there is no time limit for how long you can 'lay off'.
- 'Guaranteed pay' should be given for the 'lay off period', if your contract allows this practice.
- Guaranteed payment is £29 a day for 5 days in any 3-month period - so a maximum of £145.
- If employees usually earn less than £29 a day, then the normal day rate can be given instead.
- Employees are not eligible to guaranteed pay, if they have only been employed for 1 month, however applying this practice could be seen as harsh by the employees.

- Employees on 'lay off' or 'short term working' (*Short-time working is when hours are cut from the normal standard hours or contractual hours*) are still required to make themselves reasonably available for work.
- Employees can take on another job while you're laid off or on short-time, unless the contract says otherwise.
- Before taking another job during 'lay off', employees are required to get the employers agreement and be available to return to work once the 'lay-off' or short-time ends.
- If closing a business with immediate effect, employers are still obliged to make payment in lieu of notice and accrued, untaken holiday pay.
- To avoid employee leaving payments, the business would need to consider going into administration.

The People Factor team are working hard to help and assist many business owners navigate their way through these difficult times, if you would like further, more detailed, advice or assistance, please contact us.
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