

Options	What	How	Cost	Pros	Cons
Short term working	Staff work less than 50% of their normal contracted hours	Contractual or through consultation	Pay for actual work done at normal (hourly) rates of pay	<ul style="list-style-type: none"> - Still able to deliver to clients - Keeps your skilled workforce - Saves on immediate redundancy costs - Enables you to ramp up again quickly when you need to 	<ul style="list-style-type: none"> - Staff continue to accrue service and annual leave which may make redundancy more expensive at a later stage - Must get staff consent
Lay offs	Staff do not work, but are still employed	Contractual or through consultation	Guarantee Payments of £29 per day for a maximum of 5 days in any rolling 13 week period	<ul style="list-style-type: none"> - Reduces pay to a minimum - Keeps your skilled workforce - Saves on immediate redundancy costs - Enables you to ramp up again quickly when you need to 	<ul style="list-style-type: none"> - Staff continue to accrue service and annual leave which may make redundancy more expensive at a later stage - Must get staff consent
Furlough Leave	Unpaid leave due to no work or unable to work	Consultation process	<ul style="list-style-type: none"> - The Government will pay 80% of salary up to £2500 per employee per month - Employers can top this up if they wish to do so 	<ul style="list-style-type: none"> - Government support - Avoids redundancies - Enables the business to ramp up again quickly when they need to - Maintains skills within the business for when things return to normal 	<ul style="list-style-type: none"> - The staff on Furlough Leave are not able to do any work during this time - The staff continue to accrue continuity of service - The Government are only underwriting the pay for 3 months
Redundancy	Employment is terminated	Consultation process	<ul style="list-style-type: none"> - Notice to be paid or worked - Statutory redundancy pay or contractual redundancy if higher 	<ul style="list-style-type: none"> - Reduces long term liabilities quickly 	<ul style="list-style-type: none"> - Harder to scale up quickly - Immediate financial liability - Lose staff with key skills - Staff could bring a claim for wrongful dismissal if they felt that the reasons

Correct at 21/3/2020

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					or process were unfair or if you recruit replacements within a short time period
Unpaid parental leave	Parents with children under the age of 18 could take off 4 weeks per year per child unpaid	Parents request or consultation	Unpaid	<ul style="list-style-type: none"> - Reduces pay to a minimum - Keeps your skilled workforce - Saves on immediate redundancy costs - Enables you to ramp up again quickly when you need to 	<ul style="list-style-type: none"> - Staff continue to accrue service and annual leave which may make redundancy more expensive at a later stage - Must get staff consent
Annual leave	Normal annual leave	<ul style="list-style-type: none"> - Any staff member who has accrued annual leave can request to take some or all of it - Where contracts allow, employers can ask staff to take annual leave - Through consultation employers can ask staff to take accrued annual leave 	Normal rates of pay	<ul style="list-style-type: none"> - Uses up accrued annual leave at a time which suits the company - The company will not have to pay it at a later stage should they make redundancies - Staff continue to receive normal full pay for as long as possible 	<ul style="list-style-type: none"> - Company may not be able to afford to pay all the money in one go - The employee may need time off later in the year for a holiday or particular event

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Unpaid Leave	Employee is not working	Employer and Employee agree that the employee will not be required to work and will not receive payment until a specific time which is reviewed at agreed intervals	Unpaid	<ul style="list-style-type: none"> - Immediate cost saving for the business - Able to retain key skills for when business reopens - No risk of the employee claiming redundancy as they could with 'lay off' as long as a proper process is followed 	<ul style="list-style-type: none"> - Employee accruing service - Employee accruing annual leave - IF proper process is not followed they could bring a claim for illegal deduction from wages or breach of contract
Renegotiate Contract	Employee is given a new contract of employment on a temporary basis	Employer and Employee agree new terms which are agreed in writing for a specific time with a specific timeframe for review	In line with agreed terms e.g. new working hours, new rate of pay	<ul style="list-style-type: none"> - Employee continues to be paid something - Work continues to be delivered - Business owner mitigates financial risks to the business as costs are managed - Able to ramp up again quickly as needed 	<ul style="list-style-type: none"> - There are still staff costs which need to be met including pension, NI, salary etc. - The situation is fluid and these measures may not be sufficient - The employee may refuse to accept the new terms being offered - The new rate of pay cannot fall below the National Minimum Wage rate

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