MERGERS | ACQUISITIONS | RESTRUCTURES

NEWSLETTER #4

QUARTER 1 2021

HR HELP AND **INSIGHTS**

FOCUS ON RECRUITMENT & RIGHT TO WORK



Welcome to the 4th issue of The People Factor and a blimmin' good riddance to 2020. Even more than that, let's hope that 2021 sees us all get back to some semblance of normality sooner rather than later. We need it.

Because of Covid (and Brexit, of course), this year is likely to be one of change for many businesses. For some, it may still hold the prospect of redundancies and possible restructures; for others, there'll be more of a focus on rebuilding and recruitment.

So, this month's newsletter is all about where your business sits on that timeline, the specific implications and challenges you're likely to face, and what you need to consider next. And, because of Brexit and the changing rules on employing staff from overseas, there's a special focus on how to handle Right to Work properly.

We hope you find it useful and do let us know what you think...

Until next time.

Kàren Davies

CEO - The People Factor

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> LATEST NEWS

Coronavirus Iob **Retention Scheme** extended

The Coronavirus Job Retention Scheme (CJRS) has been extended until 30 April 2021. As before, employers can claim 80% of an employee's usual salary for hours not worked, up to a maximum of £2,500 per month.

All employers with a UK, Isle of Man or Channel Island bank account and UK PAYE schemes can claim the grant, and you don't need to have previously claimed for an employee before 30 October 2020 to apply this time around. Employers can also continue to furlough employees for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked. Remember, you'll still need to pay employer National Insurance contributions and pension costs.

Job Retention Employer Bonus suspended

As a result of the CJRS being extended, the Job Retention Bonus scheduled for February 2021 has been withdrawn. According to the Government, it will be replaced with a new "retention incentive" deployed at an "appropriate time". Originally, the bonus was to be a £1,000 one-off taxable payment to employers for each eligible employee that was furloughed and kept continuously employed until 31 January 2021.

Retail and hospitality sectors to receive £4.6bn relief package

Announced by the Chancellor on 5 January, businesses in the retail, hospitality and leisure sectors are to be given one-off grants up to £9,000 to help stay afloat until the spring. Due to these sectors continuing to be hardest hit by the latest lockdown measures, the grants are in addition to existing support and are expected to help 600,000 businesses protect jobs. This includes grants worth up to £3,000 for closed businesses, and up to £2,100 a month for businesses still affected once reopen.

£594m will also be made available to local councils to support other businesses impacted by the lockdown but not covered by the new grants. The Treasury said a £4,000 grant would be available for businesses with a rateable value of £15,000 or under, £6,000 for businesses with a rateable value of £15,000 - £51,000, and £9,000 for businesses with a rateable value of more than £51,000.

TPF granted **Kickstart Gateway** status

The People Factor is now a Kickstart Gateway, helping businesses of all sizes apply for funding to take on paid staff. The Kickstart scheme funds businesses to run 6-month job placements for 16

to 24-year-olds and is a great way of training up the next generation as well as strengthening your own workforce. The funding covers:

- 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 25 hours per week up to 6 months.
- Employer National Insurance contributions.
- Employer minimum automatic enrolment contributions.
- £1,500 grant per job placement for setup costs, support and training.

You can apply directly (NB. it's a lot of paperwork!) if you have capacity for 30+ placements, and for any placements fewer than 30, you need to apply via a Kickstart Gateway. Having already made a successful £2.5m bid for a large multinational, we can help you with either, so do get in touch if you need a hand.

The People Factor Recruitment launches!

After years of working in and alongside different businesses, we've got to see what works well in terms of recruitment - not to mention all those fantastic people we've met and contacts made. So... we launched our own recruitment arm at the start of January. Find out more on p.7 in our interview with TPF Recruitment's MD, Gemma, and also at https://thepeoplefactor.org.uk/ recruitment/



> HR HEADACHES

Brexit and Right to Work Reminders*

On 1 January 2021, freedom of movement between the UK and EU ended and a new immigration policy commenced. So if you currently employ or plan to employ staff from abroad, it's worth knowing that:

- The UK has introduced a 'skilled worker' immigration points system and anyone you want to recruit from outside the UK (excluding Irish citizens) will now need to apply for permission.
- · As an employer, you'll need to have an approved 'skilled worker sponsor licence' for the majority of your hires from outside the UK.
- · You will also need to demonstrate that:
 - o They have a job offer to commence work.
 - o They can speak English at the required level.
 - o The job offer is at the minimum required skill level of RQF3 (A level equivalent) or above.
 - o They'll be paid at least £25,600 or the 'going rate' for the job offer, whichever is higher.
 - o If the job pays less than this (but no less than £20,480), they may be able to 'trade' points on other favourable factors (eg. if they have a job offer in a highly sought occupation or a PhD relevant to the job).
 - o For jobs with a salary below £20,480 or at a skill level below RQF3, there's no general route allowing employers to recruit from outside the UK.
- The new system doesn't apply to EEA or Swiss citizens that you already employ in the UK. (However, your employed EEA and/or Swiss citizens must have obtained settled status (or have proof of application) before June 2021 to continue to work in the UK.)

Remember: employers can be held liable for employing a person without the right to work in the UK, so carrying out right to work checks is always good practice.

*Correct at time of publication

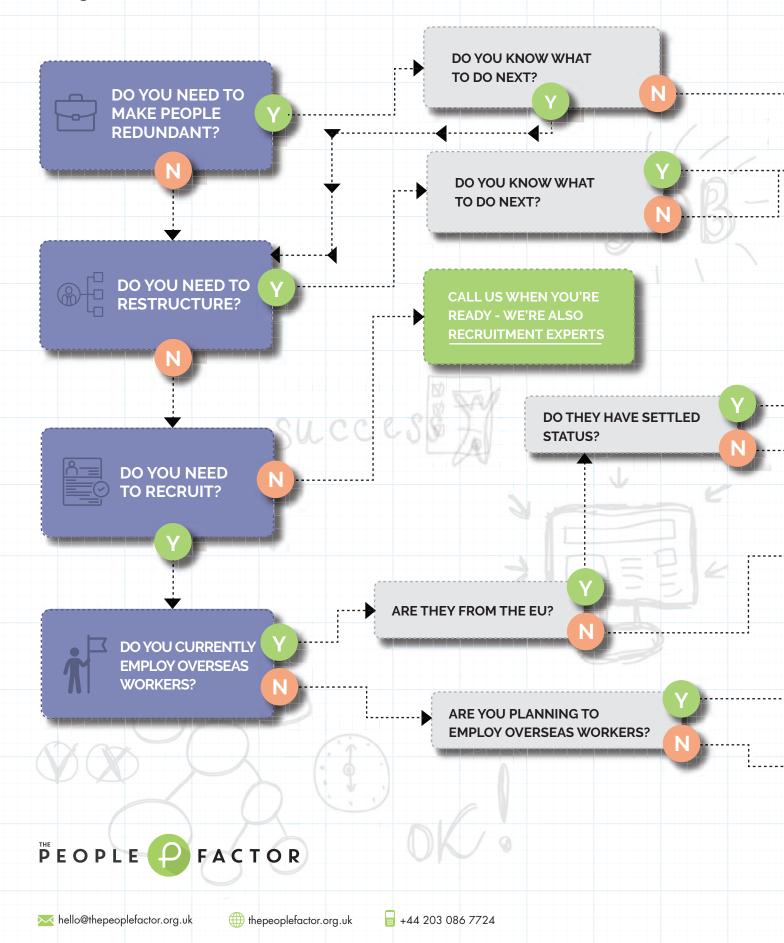
Right to Work Reminders: Intra-company transfers

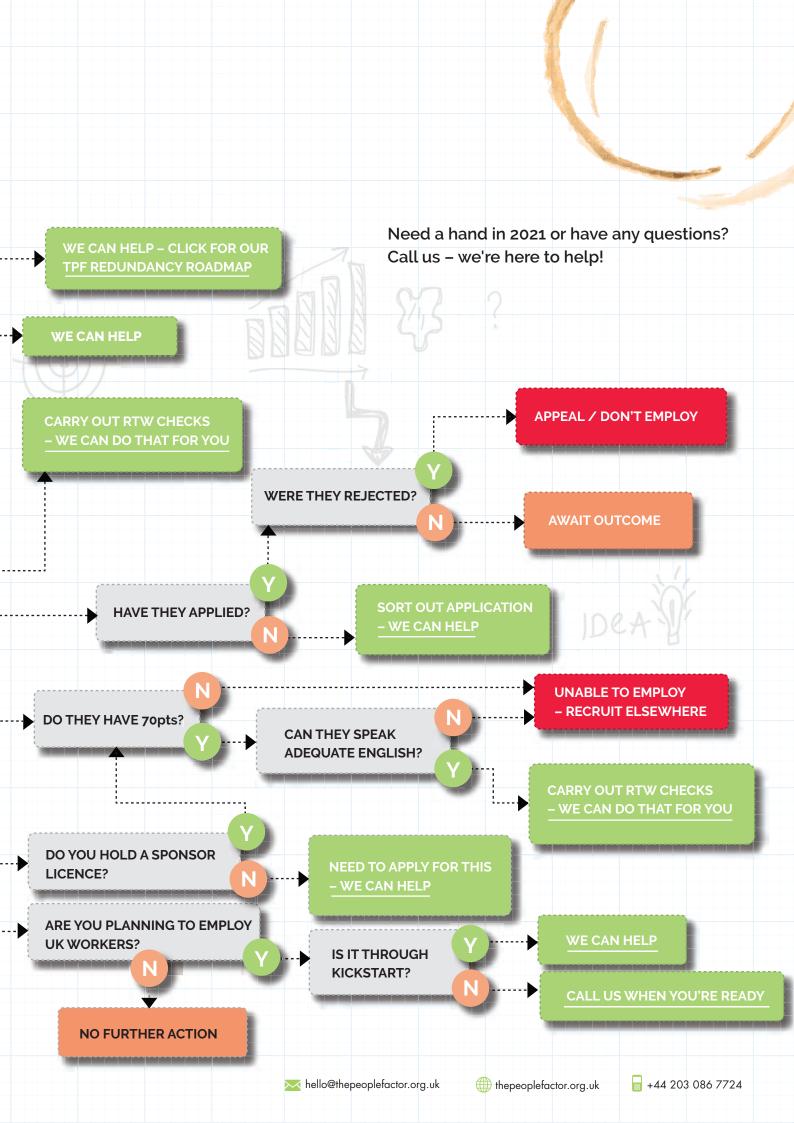
If you want to transfer a worker from a part of your overseas business to work for you in the UK, they can apply via the Intra-Company Transfer route. From 1 January 2021:

- Applicants will need to be existing workers of your overseas business and be able to undertake roles that meet the requisite UK skills and salary thresholds.
- They'll need to be sponsored as an Intra-Company Transfer by a Home Office licensed sponsor.
- They must have 12 months' experience working in your overseas business (and you must be able to show that the two businesses are linked by ownership).
- Their role must be at the required skill level of RQF6 or above (graduate level equivalent).
- Their salary must be at least £41,500 or the 'going rate' for the job, whichever is higher.
- Permission for workers transferred to the UK on the Intra-Company Transfer route is only temporary. Workers can be assigned to the UK multiple times, but they cannot stay in the UK for more than 5 years in any 6-year period.
- Workers paid over £73,900 do not need to have worked overseas for 12 months and can stay for up to 9 years in any 10-year period.

Is Your Business Ready For 2021?

Things to consider and what to do about them...





> IN FOCUS: EMPLOYMENT & RECRUITMENT

Brexit and the workplace: now what?

Well, it's finally happened: the toing and froing between the UK and EU is no more. And as we replace one set of rules with another, what does that mean for the workplace and, specifically, its workforces?

Trade deals and tariffs aside, how well prepared are businesses for some of the new regulations around nonnative workers, and employment and recruitment in general?

Keeping what you have

For many organisations reliant on foreign workers (such as hospitality), the new immigration rules could well prove disruptive, and ultimately result in businesses losing some of their best staff.

That's why it's crucial to ensure existing staff from the EEA have already been granted or at least applied for settled status to stay not just in their jobs, but also the country.

The deadline for this is 30th June 2021. For non-EEA employees, however, the new points system will apply, together with its unequivocal 'stay or go' outcomes for low-skilled workers.

Know what's what to avoid confusion

Although there's an onus on the employee to ensure that they're eligible to work in the UK, employers can also be held liable for employing someone without the right to work. That's why familiarising yourself with the new legislation and carrying out right to work checks is a must.

Even so, one element on the checklist that might cause potential difficulty is knowing how to adequately assess a prospective employee's ability to speak English; without an objective assessment tool to do so, might there be hesitancy in deciding whether someone's fluent enough for the demands of the job? Hopefully, common sense will prevail and borderline cases won't be judged solely on that one criterium.

Falling the wrong side of employment law

As well as employers needing to know exactly what's what with the new legislation, they'll also need to brush up on their employment law to feel confident that they're interpreting and applying the new rules correctly. Otherwise, they could potentially be faced with a legal minefield of unsuccessful applicants or terminated employees claiming that they've been discriminated against.

A surplus of unfillable positions?

Another big question centres on how easy it will be to replace staff who no longer satisfy the new immigration criteria. Although employers will need to recruit from the UK job market (or continue to employ some EU workers until June 2021), uncertainty exists around how successful they'll be at filling low-skilled worker positions - as evidenced last year when thousands of prospective UK workers turned down fruit and vegetable-picking roles.

It may well be that the government's new Kickstart scheme will play a role here, although time will tell.

One thing is for certain: whichever way you look at it, 2021 is going to be interesting.

OUR SERVICES



BUSINESS START-UPS



MERGERS & AOUISITIONS



RESTRUCTURES



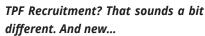
ORGANISATIONAL DESIGN



HR PLANNING & OUTSOURCING



MD - The People Factor Recruitment



It is! It builds on all that's great about The People Factor, especially its standing in the HR industry and wider business world, and vast network of trusted contacts from years of partnering with different organisations and sectors. When you add that to all the insight developed from actually inside various businesses, offering a recruitment service makes a lot of sense. And because we've seen what helps organisations become successful - in terms of people competencies and traits and what's needed for different roles - we're in a great position to help companies get their recruitment right.

And how do you fit into that?

I've specialised in recruitment for more than a decade and built a wealth of diverse experience during that time, in both in-house consultancy and high-street agencies. And, modesty aside, my success ratios for placing people are pretty high. When I worked in-house, every 5 in 6 candidates I put forward were offered the job; and every 2 in 3 when I did high-street recruitment. Just as importantly, though, I have the trust and confidence of Karen Davies (CEO) to maintain TPF's reputation and prove that we're on to something here!

So what makes TPF Recruitment different?

It's a combination of factors really: insight into what's needed and actually works from a business perspective; an emphasis on quality over quantity by refusing to play a numbers game and saying no if needed; representing clients and candidates equally to ensure it's the right fit for both parties and investing the time to recognise that; and being the single contact throughout the entire process to guarantee continuity.





Any specific sectors and levels?

We're here for all sectors but we'd be daft to ignore our experience within HR, hospitality & leisure and admin & finance, as well as being able to cover all levels of management and headhunting.

But will businesses even be recruiting in 2021?

Absolutely! And as there's going to be a lot of talent out there, it's looking good for employers.

For those that are recruiting, what's the next step?

Easy – call me on 07932 518361 or email: gemma@thepeoplefactor.org.uk

HERE TO HELP

GOT A HR HEADACHE YOU NEED TO SORT?If you'd like to know more about how we can help you, get in touch.

+44 (0) 203 086 7724

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