

BeyondHR

Temporary Lay Off and Short Time Working

If employers do not have enough work for employees, they may tell them to stay at home. If employees are off work for at least one complete working day, this is a lay-off.

Where an employer asks employees to work some of the week but you are laid off for a day or more in the week, then employees are on 'short-time' working. This means their hours of work are cut.

Time limits for lay-offs

There is no upper limit for how long employees can be laid-off or put on short-time. However they may be able to claim redundancy pay if they are laid-off without pay or put on short-time for either:

- four consecutive weeks
- six weeks within a 13 week period
- employees must give their employer written notice in advance that they want to make a claim for redundancy pay.
- employers do not have to pay it if the employee will return to normal working hours within 4 weeks.

Pay during lay-offs

If employees are laid-off they should **get your full pay unless it is part of your contract that the employer can lay them off without pay or on reduced pay**. While most of our clients have this clause in their contracts make sure to have them check the contracts before implementing any temporary lay-off or short time working.

If it is not part of their employment contract, employees may agree to change their contract. For example, a lay-off might be better than being made redundant.

Another option could be to agree to allow employees to take some annual leave instead of being laid-off.

If unpaid lay-offs are allowed under their employment contracts, you should make sure the client knows they should still give you statutory guarantee pay.

Guarantee pay

Rate and length of statutory lay-off pay

Employees are entitled to guarantee pay during lay off or short-time working. The maximum they can get is £29.00 a day for five days in any three month period - so a maximum of £145.00.

If they usually earn less than £29.00 a day they get their normal daily rate. If they work part-time, their entitlement is worked out proportionally.

Employees can't claim guarantee pay for any day that you do some work.

Eligibility for statutory lay-off pay

Employees must:

- have been employed continuously for one month (includes part-time workers)
- reasonably make sure they are available for work
- not refuse any reasonable alternative work (including work not in their contract)
- not have been laid off because of industrial action