

GILLESPIE MACANDREW

Below is a summary of how 2020 finished up and what we can expect in 2021.

December 2020

- A Brexit agreement was finally reached and from 1st January 2021 new working arrangements for EU nationals began. Decisions of the European Court of Justice made prior to 1st January will continue to be binding on UK courts and tribunals. UK courts will not be bound by future decisions but they may still refer to them.
- From 26th December, mainland Scotland was placed into level 4 restrictions and on 5th January a new lockdown came into effect. While many businesses and employees returned to or commenced furlough arrangements, the Government continued to resist demands for the legal right to furlough for working parents while school closures are in place and confirmed that the choice as to whether or not to furlough remains with the employer.

January 2021

- On 26th January 2021, and then on a monthly basis from February 2021, HMRC will publish the details of employers who have made claims under the CJRS for any month from December 2020 onwards. Information will be published on the GOV.UK website and will include the company name and number, and an indication of the value of the claim within banded ranges. HMRC will not publish this information if businesses can show that publication would result in a serious risk of violence or intimidation to certain individuals. Evidence of such a risk could include a police incident number of a previous attack or threat, or evidence of a possible attack or threat. Furloughed employees will also be able to see details of claims made for them after 1 December 2020 in their personal tax account. Applications to request HMRC do not publish claim details need only be made once but should be done so as soon as possible.
- A Private Members' Bill seeking to require the Government to assess and report gaps in support during the pandemic is due to have its second reading on 29th January. Areas of concern include support for the newly self-employed who do not qualify for support under current rules and support for those who are self-isolating. This follows reports that a significant number of workers are receiving no pay while complying with the requirement to self-isolate.

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February 2021

- In December 2020, the UK Government launched a consultation seeking views on a proposal to extend the ban on exclusivity clauses beyond zero hours contracts, to contracts where the workers' guaranteed weekly income is less than the Lower Earnings Limit, currently £120 a week. The consultation closes in February 2021.

March 2021

- The second reading of The Pregnancy and Maternity (Redundancy Protection) Bill 2019-21 is scheduled to take place in March. If passed, this Bill will see an extension of redundancy protection currently offered to women on maternity leave to staff on other types of parental leave (adoption leave and shared parental leave), those who have returned from maternity leave within 6 months and those who have told their employer they are pregnant.

April 2021

- Changes to the IR35 rules are due to come into force on 6 April 2021, after having been delayed from April 2020. The new IR35 rules apply to medium and large businesses in the private sector where a worker provides services for a client through an intermediary, usually a personal service company (PSC). The rules make sure that workers, who would have been an employee had they provided their services directly to the client, pay the same tax and NIC as employees by classifying the circumstance as "deemed employment". The changes coming into force in April 2021 will shift the onus to the end user client to make a determination of whether the IR35 rules apply.
- On 1 April 2021, the National Minimum Wage will increase as follows:
 - from £8.20 to £8.36 per hour for 21 to 22 year olds;
 - from £6.45 to £6.56 per hour for 18 to 20 year olds;
 - from £4.55 to £4.62 per hour for 16 and 17 year olds;
 - from £4.15 to £4.30 per hour for apprentices.
 - National Living Wage will see a 2.2% increase to £8.91 per hour and the age threshold will be lowered to 23 from 25.
 - The accommodation offset will increase from £8.20 to £8.36.
 - The Real Living Wage will increase to £9.50 per hour.

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- The CJRS is currently due to end on 30 April. Employers should keep this date in mind, particularly if they are required to conduct any collective consultation in relation to large scale redundancies prior to the end of the CJRS.

The information in this document is of general nature only and does not constitute legal advice, nor does it take into account the specific financial situation, particular needs or suitability of any particular person or class of persons.