

ALL EMPLOYEE COMMUNICATION FROM THE MANAGING DIRECTOR - COVID-19, NO 16, 1 MAY 2020

I hope that this latest briefing finds you and your family all well.

We are about to enter our 7th week of lockdown which brought with it for us all a new way of living and working. Although we are not clear when the current lockdown restrictions may end, what is clear is that we will have a new 'normal' and that our previous ways of working and living will not return at the flick of a switch. Discussions at both corporate and operational level have started in relation to our plans for coming out of lockdown but these very much depend on what approach is taken by the Government, what restrictions remain in place and what services our constituent Councils require. Along with your manager, I endeavour to keep you briefed on this as we move forward.

Furlough

In my last briefing I advised you that Tayside Contracts was currently investigating and taking legal advice regarding whether it may be possible for us to utilise the Coronavirus Job Retention Scheme (CJRS) and place some employees on furlough.

As I explained, this allows all eligible UK employers to designate certain eligible employees as 'furloughed workers' and access government financial support to continue paying these furloughed employee's salaries and protect employees from redundancy.

Our discussions with our 3 recognised Trade Unions and our constituent Councils, have continued this week and to date, no decision has been made to furlough any Tayside Contracts' employee.

In order to be able to apply to the CJRS and claim financial support to pay an employee's wage, that employee cannot be doing any work for the employer. We were in the situation where we had some employees who we had identified as potentially 'in scope' for furlough who were carrying out elements of non-essential work. We have had to discuss this situation with these employees and ask them to stop carrying out the duties they were doing because otherwise any application to the CJRS that we may make going forward for that employee, would be not accepted by HMRC.

I previously explained that, should Tayside Contracts decide to apply to utilise the CJRS, because of the rules of the scheme, furlough will only be available to a small minority of employees, most likely a proportion of employees within our Catering Unit, Construction Division and support services function. This continues to be the case.

I also previously stated that the main reason for adopting this course of action is to protect income and jobs going forward. I am aware that this statement and the discussions managers have had with employees asking them to stop working, has caused some anxiety and I want to alleviate this as much as I can. Although I cannot guarantee that the COVID-19 crisis will not result in service changes and potentially job losses in the longer term, I can give an

absolute guarantee that a decision to class an employee 'in scope' for furlough or acceptance or not from an employee to go on furlough will have no bearing whatsoever on any potential redundancy selection, should this become necessary in the future.

Obviously I hope that this worst case scenario does not transpire and I will do everything I can to protect Tayside Contracts' future and jobs, which is why I believe that applying for the CJRS is the right thing to do.

We will continue to consult with our Trade Unions and will write out to those employees in scope for furlough with further information as soon as we are able to do so. In the meantime, if you have any specific queries or concerns relating to furlough, please discuss these with your manager.

Please continue to refer to Tayside Contracts' website www.tayside-contracts.co.uk/covid-19 on a regular basis to check for further updates.

If you have not already done so and wish to provide your email address to us in order to benefit from electronic access to communications such as these, please forward your email address to Communications@tayside-contracts.co.uk. We will not forward your email address onto any third parties or use it for any other purpose other than to communicate with you.

Iain C Waddell, Managing Director, 1 May 2020