

1st June 2020

Briefing Note

CECA Scotland Member Briefing:

COVID-19 - CECA SCOTLAND UPDATE

Introduction

CECA Scotland are producing regular updates to keep member companies updated on the latest developments relating to the Covid-19 coronavirus and its impact on the Scottish civils sector. These briefings are also posted on the CECA Scotland [website](#). For further information, please contact our Chief Executive, Grahame Barn: 07976 199615 or grahame@cecascotland.co.uk.

Updated Construction Procurement Policy Notes

The Scottish Government have published (29th May) two new Construction Policy notes. Details are as follows:

CPN 3/2020: Coronavirus (COVID-19): preparations for contracting authorities to restart the procurement and management of construction contracts. This can be accessed [here](#).

CPN 4/2020: Coronavirus (COVID-19): managing disputes and cashflow. This can be accessed [here](#).

Coronavirus Job Retention Scheme (CJRS): Next Steps Confirmed

The UK Chancellor announced changes to the Job Retention Scheme on Friday 29th May. You can read the full details [here](#). The changes are summarized below:

- **From 1 July 2020, businesses will be given the flexibility to bring furloughed employees back to work part time.** This is a month earlier than previously announced to help support people back to work. Individual firms will decide the hours and shift patterns their employees will work on their return, so that they can decide on the best approach for them - and will be responsible for paying their wages while in work.
- **From August 2020, the level of UK Government grant provided through the job retention scheme will be slowly tapered to reflect that people will be returning to work.** That means that for June and July the Government will continue to pay 80% of people's salaries. In the following months, businesses will be asked to contribute a modest share, but

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crucially, individuals will continue to receive that 80% of salary covering the time they are unable to work.

The scheme updates mean that the following will apply for the period people are furloughed:

June and July: The UK Government will pay 80% of wages up to a cap of £2,500 as well as employer National Insurance (ER NICs) and pension contributions. Employers are not required to pay anything.

August: UK Government will pay 80% of wages up to a cap of £2,500. Employers will pay ER NICs and pension contributions - for the average claim, this represents 5% of the gross employment costs the employer would have incurred had the employee not been furloughed.

September: UK Government will pay 70% of wages up to a cap of £2,190. Employers will pay ER NICs and pension contributions and 10% of wages to make up 80% total up to a cap of £2,500. For the average claim, this represents 14% of the gross employment costs the employer would have incurred had the employee not been furloughed.

October: UK Government will pay 60% of wages up to a cap of £1,875. Employers will pay ER NICs and pension contributions and 20% of wages to make up 80% total up to a cap of £2,500. For the average claim, this represents 23% of the gross employment costs the employer would have incurred had the employee not been furloughed.

Employers will be required to submit data on the usual hours an employee would be expected to work in a claim period and actual hours worked. Employees who believe they are not getting their 80% share can also report any concerns to the HMRC fraud hotline. HMRC will not hesitate to take action against those found to be abusing the scheme.

Self-Employment Support Scheme (SEISS) Extended

The UK Chancellor announced on 29th May that the Government's Self-Employment Income Support Scheme will be extended; you can read full details [here](#). Those eligible will now be able to claim a second and final grant in August. The grant will be worth 70 percent of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £6,570 in total.

UK Government Factsheet on SEISS and CJRS

You can access a factsheet on both business support schemes [here](#).

For more information please contact Grahame Barn on grahame@cecascotland.co.uk

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Construction Leadership Council Roadmap To Recovery

The Construction Leadership Council (CLC) has today (1st June) published *Roadmap to Recovery: Industry Recovery Plan for the UK Construction Sector* which you can read [here](#). Whilst the plan states that it is the recovery plan for the UK, in reality it is a recovery plan for England and Wales only as the CLC has no practical locus in Scotland. The equivalent body in Scotland is [Construction Scotland](#). Therefore, if you operate exclusively in Scotland, this is for your information only.

The plan has three phases - restart, reset and reinvent and focusses on a number of priorities:

- Get industry back to work wherever it is safe to do so
- Maximise employment and retain key skills
- Ensure a pipeline of future workload for all parts of the sector
- Boost productivity to secure improved value
- Transform the industry through technology & digitalisation

Temporary relaxation of the enforcement of the drivers' hours rules

Click [here](#) for an update on the temporary relaxations of EU and GB drivers' hours rules.

Cross Party Group on Construction Meeting Recording

If you missed the virtual meeting of the Cross-Party Group on Construction on 21st May, you can access a full recording [here](#)

CECA Scotland Webinars

Director's Responsibilities in the Current Climate, Tuesday 2nd June, 11am

We are hosting a short webinar to members on Directors' responsibilities in the current climate. The webinar will be delivered by Matt Henderson, Restructuring Partner, Johnson Carmichael. You can find out more and sign up [here](#).

Ken Yer Bairns - Session 2, Bridging the Gap, Wednesday 3rd June, 11am

In session 2 of "Ken Yer Bairns", Bob Cummins of [Soak](#) will explore how we can bridge the gap between the generations through a better understand of what drives us and others and start to explore the advantages of being different. To book your place, click [here](#).

The Scottish Government's latest COVID-19 advice for businesses can be read [here](#).

[Advice specific to construction can now be found here](#)

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