

PRESS RELEASE

Monday 06 April

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People Group leads the way as thousands of furloughed workers are paid

On Friday 03 April *People Group* successfully paid workers their first furlough payroll. *People* achieved this by funding payments through its own resources prior to receipt of government funding.

People listened to feedback from contractors, especially their financial difficulties and unhappiness with the Government's calculation guidelines for Umbrella workers. Their main concern was the blanket exclusion of commission payments which limited the furlough payment to the National Minimum Wage element of pay only. *People* lobbied various bodies, including Professional Passport and APSCo amongst others, on behalf of contractors. This led to formal representations being made at Government level.

As a result of these representations Government has revised its guidance on Furlough pay calculation for Public Sector Umbrella workers Saturday 04 April. This updated guidance confirms that wages, overtime, fees and compulsory commission payments are included in the new calculation. However the updated calculation specifically excludes discretionary bonus, tips, non-cash payments and non-compulsory commission payments.

This new guidance is welcome news to workers engaged by leading intermediaries such as *People Group*. However workers with umbrella companies offering an over-arching employment contract and don't classify commission as compulsory will be extremely disappointed to have their furlough payments significantly reduced.

Staff at *People Group* worked tirelessly through the weekend to incorporate these changes, recalculating every relevant Umbrella worker's additional entitlement and processing payments. This huge effort resulted in amended balances being paid into thousands of contractor bank accounts by 6am Monday 06 April.

People Group CEO Terry Hillier, commented:

"Saturday's news is the right outcome and we thank the Government for their revised stance. Given the understandable delays in rebating employers, we've taken a strong position to pay our workers for an expected 4 to 6 weeks in advance of receiving any Job Retention Scheme reimbursement from HMRC. We pulled out all the stops on this, particularly with the current backlog in obtaining Universal Credit. We are proud to play our part to support recruiters and contractors at a time of real uncertainty. I believe it's important to do everything we can to deliver money to People who may have gone unpaid for a month, this has been a vital lifeline for thousands."

Smile Education Managing Director Katy Rees (Education Chairperson – APSCo), commented:

"People Groups fast response to the furloughing scheme and keeping us up to date has been fantastic. It is evident the team have worked around the clock to ensure our staff are not financially disadvantaged by the pandemic. Many of our supply staff have expressed heartfelt thanks that they have not been left in financial hardship thanks to the quick and decisive action by People."

About People Group Services

When it comes to pay, compliance and legislation, *People Group* believes in driving positive change. Extraordinary times require pro-active and creative thinking followed by fast, perfect execution. *People Group* optimises the processes that support work so that they are better for workers and agencies. Combining leading-edge technology with decades of expertise and experience, we are transforming payroll and compliance to make them more efficient, transparent, safer and profitable for everyone.

People Group Services (Company No. 11570329 VAT No. 305131359) is one of the People Group of companies. Other group companies:

People PAYE Limited (Company No. 11098037, VAT No. 284102326)
People Compliance Limited (Company No. 11570398, VAT No. 305178616)

People Engage Limited (Company No. 11570346, VAT No. 305134448)
People Complete Limited (Company No. 11570386, VAT No. 305198118)