



WORKMATTERS
The natural choice for human resources

NEWSMATTERS

October 2014



WELCOME TO THE FINAL NEWSLETTER FOR 2014

Our newsletter is written quarterly to ensure that you are kept up to date with employment issues, back copies are available on the website so you never miss out on the ever changing aspects of employment law. We will offer helpful hints on how to handle situations within the workplace, but never be afraid to give us a call for both guidance and support.

This Quarter the focus is on changes in the law which will affect your business immediately and a look at the zero hours contracts which have come under scrutiny recently by the Government and a look at Apprenticeships for small to medium sized organisation.

- 1) The increases in the minimum wage in October 2014
- 2) Shared Parental Leave – key points and introduction of partners attending antenatal appointments
- 3) Flexible Working 2014
- 4) what does 2015 hold in employment terms?

Our main topic this quarter is Apprenticeships as the economy starts to improve we look at how you can support your work force and develop future talent.

We think you'll find the articles very interesting. Please call us on **01442 870742** to discuss any of these articles and see how we can help you and your business more effectively in the field of Human Resources. Alternatively have a look at our website www.workmattershr.co.uk and email us from there or on carolinefarnell@gmail.com

If you would prefer not to receive any future newsletters from Work Matters (HR) Ltd, please reply to this email with 'unsubscribe' in the title and we will remove you from our list - thank you.

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Changes in the Law:

- New minimum wage rates
- Shared parental leave
- Flexible working regulations in 2014
- 2015 and beyond - new legislation

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CHANGES IN THE LAW

New Minimum Wage Rates

The National Minimum Wage will again increase again on the 1st October 2014.

- Adults hourly rate will increase from £6.31 to £6.50
- 18 – 20 year olds hourly rate will increase from £5.03 to £5.13
- 16 – 17 year olds hourly rate will increase from £3.72 to £3.79
- Apprentices hourly rate will increase from £2.68 to £2.73.

If you take on an employee who is of compulsory school age they are not entitled to the National Minimum Wage.

Apprentices aged 19 or over who have completed at least 1 year of their apprenticeship are entitled to receive the full minimum wage applicable to their age.

Employers are required to keep records sufficient to show they are paying workers at least the NMW. The records must be kept for three years and they may be kept on a computer or as a hard copy. However you choose to keep them you must be able to produce a single document when requested by HM Revenue & Customs or by the employee.

All young people to be in education or training until the age of 18 (England) (date to be confirmed in 2015)



Shared Parental Leave

Right to time off for antenatal appointments (from 1st October 2014)

Under the new shared parental leave it is proposed to allow the husband, civil partner or partner of the pregnant women the right to unpaid time off to attend up to 2 ante-natal appointments

Key points (from 1st December 2014)

Shared Parental Leave is designed to give parents more flexibility in how to share the care of their child in the first year following birth or adoption. Parents will be able to share a pot of leave, and can decide to be off work at the same time and/or taking it in turns to have periods of leave to look after the child.

Employed mothers will continue to be entitled to 52 weeks of Maternity Leave, 39 weeks of which are paid as part of statutory maternity pay or maternity allowance.

If they choose to do so, an eligible mother can end her maternity leave early and, with her partner or the child's father, will be able to opt for Shared Parental Leave instead of Maternity Leave. If they both meet the qualifying requirements and both qualify, they will need to decide how they divide their total Shared Parental Leave and Pay entitlement between them.

Paid Paternity Leave of two weeks will continue to be available to fathers and a mother's or adopter's partners.

Adopters will have the same rights as other parents to Shared Parental leave and pay.

Intended parents in surrogacy who meet certain criteria will be eligible for statutory adoption leave and pay and Shared Parental Leave and Pay.

To qualify for Shared Parental Leave and Pay a mother must be entitled to maternity or adoption leave, or statutory maternity or adoption pay or maternity allowance and must share the main responsibility for caring for the child with the child's father or her partner. In addition, they will be required to follow a two step process to establish eligibility.

Step 1 - Continuity test:

A parent seeking to take Shared Parental Leave must have worked for the same employer for at least 26 weeks at the end of the 15th week before the week in which the child is due (or at the week in which an adopter was notified of having been matched with a child or adoption) and is still employed in the first week that Shared Parental Leave is to be take.

The other parent has to have worked for 26 weeks in the 66 weeks leading up to the due date and have earned above the maternity allowance threshold of £30 a week in 13 of the 66 weeks.

CHANGES IN THE LAW continued...

Step 2 - Individual eligibility for pay:

To qualify for Shared Parental Pay the parent must, as well as passing the continuity test, also have earned an average salary of the lower earnings limit or more (currently £111) for the 8 weeks' prior to the 15th week before the EWC.

It will be for the mother or adopter to continue on maternity leave or opt to take Shared Parental Leave.

Shared Parental Leave may be taken at any time within the period which begins on the date the child is born or date of the placement ends 52 weeks after that date. Leave must be taken in complete weeks and may be taken either in a continuous period, which an employer cannot refuse or in a discontinuous period, which the employer can refuse.



Maternity leave and pay

An employed mother will continue to have the right to take up to 52 weeks statutory maternity leave.

Ante-natal appointments

All pregnant employees are entitled to reasonable time off with pay for antenatal care made on the advice of a registered medical practitioner. Except for the first appointment, employees should show the employer, if requested, an appointment card or other documents showing that an appointment has been made.

Fathers and partners of pregnant women are entitled to unpaid time off to attend two ante-natal appointments. Employers may allow this time off with pay under the terms and condition of employment. **This comes into force on 1 October 2014.**

Intended parents in a surrogacy case who meet the conditions set out under the Human Embryology and Fertilisation Act 2008 will also have the right to unpaid leave to attend up to two antenatal appointments.

Paternity leave and pay

Paternity leave will continue to be available for fathers and partners. This will be a period of one or two weeks which must be used in a single block of leave and taken within 56 days of the birth.

Parental leave extended to 18 (date TBC in 2015) extended to 18

The right to unpaid parental leave will be extended to parents of any child under the age of 18 years.

Flexible Working Regulations 2014

From 30 June 2014 the right to request flexible working has been extended to all employees as long as they have 26 weeks of continuous service and have not made a flexible working request in the past 12 months.

As an employer you must consider a flexible working request in a "reasonable manner", can only refuse a request on prescribed business grounds and must notify the employee of your decision within three months of the request being made. If you agree to an employee's request for flexible working the changes will need to be implemented by either amending the existing employment contract or producing a new one. Once you've ascertained that a flexible working request has been validly submitted, you should follow a set procedure, weighing the advantages and disadvantages of granting or refusing the request when making a decision. It's important to have a meeting with the employee unless you automatically grant their request, and you should consider allowing an appeal process. A flexible working policy can be helpful in setting out the rights and responsibilities when it comes to requests.

Implementing agreed changes

You can't just go ahead and change an employment contract if you decide to allow flexible working. It's vital that you obtain signed agreement from your employee if you change any terms of their employment contract or set up a new contract.



CHANGES IN THE LAW continued...

Pros and cons of flexible working for business

Allowing flexible working amongst your employees can help to attract and retain employees with caring commitments and some recruits who are increasingly coming to expect a more flexible working environment. You can also save costs on office space and reduce absence, resignations and stress. However, you need to make sure your team remains cohesive and ensure there is no adverse impact on quality of work or customer service. Also flexible working may place additional pressures on those employees who are not working flexibly.



Legal issues to watch out for

There are various pitfalls you need to avoid when dealing with flexible working requests. It's crucial that you manage all requests in a non-discriminatory way without regard to protected characteristics (e.g. whether the employee is a parent or not). Also make sure that any new arrangements remain in line with your obligations regarding maximum working hours and minimum wage. Remember that an employee cannot lawfully be dismissed, selected for redundancy, victimised or subjected to any detriment for asserting his or her right to apply for flexible working.

The different types of flexible working

Flexible working is a rather generic term which can apply to a wide range of working arrangements. It may relate to a change in the number of hours worked (e.g. part-time as opposed to full-time), the times of work (i.e. shift patterns) or even the place of work (e.g. homeworking).

Part-time

If a full time member of staff wishes to go part time, they can make a flexible working request. Part time work simply means fewer hours than whatever is considered full time work in a particular organisation (normally between 35 and 40 hours per week).

Compressed hours

A compressed hours contract allows an employee to work longer hours on most days in exchange for extra days off. This could entail working a couple of extra hours each day Monday to Thursday and having Fridays off - or it may involve a similar arrangement on a fortnightly basis.

Zero hours

This type of contract doesn't guarantee any hours of work to an employee. Although this introduces a significant degree of flexibility for the business to deal with lulls in trading, it can also engender feelings of job insecurity and result in motivational issues amongst the workforce.

Annualised hours

Most often used where shift work is required, annualised hours guarantee a certain number of hours of work over the whole year but introduce an element of flexibility concerning when these hours are actually worked. This can be an advantage to businesses which have fluctuating resource needs, so that staff numbers can be allocated in accordance with demand.

Term time hours

Businesses in the academic sector - as well as those that want to cater to the needs of employees with children (who prefer to spend the school holidays at home) - can offer an employment contract with working patterns which tie in with term times (but note that non-parents must be treated equally).



Job sharing

A job sharing agreement involves two members of staff who are both essentially working part-time but, together, provide a full-time resource to fulfil a specific company requirement.

Shift and night work contracts

Only certain companies will have shift or night work requirements, but these types of employment contract can be useful for certain employees who are looking to change their working patterns.

Flexi-time

Introducing an element of flexibility to work a set number of "core" hours in the form of a flexi-time employment contract can help to give employees a better work-life balance and enhance staff morale. This is essentially a full time contract where strict office hours are unnecessary.

CHANGES IN THE LAW continued...

Homeworking

Tech-savvy employees are increasingly coming to expect a degree of flexibility when it comes to their place of work. Many professionals can perform their jobs primarily using a laptop, mobile phone and Wi-Fi, whether it's from the office, their home or a coffee bar. Some companies encourage or even require their staff to work remotely, either occasionally or full-time, in order to save costs on office space.

2015 and Beyond...

New legislation

Small Business, Enterprise and Employment Bill

A new government bill began its progress through Parliament on 25 June 2014. It contains provisions on:

- **zero hours** - provides a definition of zero hours contracts and makes 'exclusivity clauses' (tying the worker to one employer) invalid
- **enforcing tribunal awards** - employers who fail to pay compensation awarded to successful tribunal claimants will face an additional financial penalty (payable to the state, rather than the claimant) of 50 per cent of the outstanding award, subject to a cap of £5,000
- **national minimum wage** - maximum penalties for underpayment will rise as a result of being assessed on a per worker basis rather than by enforcement notices
- **whistleblowing** - those receiving disclosures will be required to report annually on whether those disclosures have been investigated
- **exit payments** - the state will be given the power to 'claw back' exit payments to public sector executives returning to the same area of work within a short period of time
- **tribunal adjournments** - limits will be placed on the number possible and judges will be able to make cost awards if applications for adjournments are late.

There are proposals in the ERR Act 2013 to introduce:

- **compulsory equal pay audits** - for those employers that breach the equal pay provisions in the Equality Act 2010. New draft regulations have now been published. Tribunals will sign off audits and there will be cash penalties for non-compliance. The audit results will be published unless there are legal reasons preventing this. Micro businesses (fewer than 10 employees) will be exempt from the regulations.

No date fixed

Some provisions in the Act have yet to be given definite enforcement dates:

- **whistleblowing** - a government call for evidence on the laws protecting those who blow the whistle closed on 1 November 2013. The government published its response on 25 June 2014. There is to be more guidance on the whistleblowing legislation but the government has rejected calls for a code of practice. Bodies receiving disclosures ('prescribed persons'), such as regulators, will be required to report annually. MPs and

regulatory bodies for health and social care workers have been added to the prescribed persons list, and student nurses will become eligible for whistleblowing protection.

- **caste discrimination** - provisions in the ERR Act 2013 will make caste discrimination unlawful under the Equality Act 2010. Consultations are planned for 2014, with a view to the new measures being in force by the summer of 2015.

Pensions auto-enrolment

Auto enrolment on pension schemes continues to be rolled out. Organisations come within the scope of the legislation by size, according to the number of employees they have on PAYE at the Pensions Regulator website. Remaining compliance dates are:

NUMBER OF EMPLOYEES	DATE
1,250 - 1,999	1 September 2013
800 - 1,249	1 October 2013
500 - 799	1 November 2013
250 - 349	1 February 2014
50 - 249	1 April 2014 - 1 April 2015
> 50	1 June 2017 - 1 February 2018
New business from 1 April 2012	1 May 2017 - 1 February 2018

Thank you for taking the time to read our Newsletter which I hope you found informative An e-newsletter will be sent on a quarterly basis to help keep you up to date with current legislation changes, as well as giving you some helpful hints and tips to help your business run smoothly.

In the meantime please contact us if we can be of service to you or your company.

Have an enjoyable quarter and we look forward to issuing you with our next newsletter in January 2015.

May you have a Happy and Prosperous New Year.

