

# **EmployNet** update

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### The Employment Law Journey



Employment law can feel like a bit of a minefield, so in our go-to-guide for SMEs, we look at some of the issues employers are likely to encounter on their employment law journey:

#### 1. Recruitment

Employers can avoid costly overstaffing or redundancies by recruiting for the short to medium-term needs of the business. Hiring should be on suitable terms, provide flexibility and give consideration to pay levels and the cost of benefits.

The recruitment process must be conducted fairly without discrimination, from advertising through to interviews and selections.

#### 2. Contract

Once an employee has started work an employment contract is in place. Contracts should be put into writing, contain details such as remuneration, hours and holiday entitlement, and be provided to the employee within two calendar months of starting work. Failure to provide this entitles the employee to bring a tribunal claim for compensation of up to 4 weeks' pay.

#### 3. Performance & expansion

As the business becomes more established, performance issues may arise. An employer will be expected to have warned the employee of any performance concerns and give them an opportunity to improve and access training.

If expansion involves taking over a business, a set of regulations known as TUPE – Transfer of Undertakings (Protection of Employment) – applies for the new employees.

#### 4. Cost-cutting & redundancy

There may be times when cost-cutting is necessary. Common measures include re-deploying staff into other areas; reducing or stopping overtime; offering career breaks; pay cuts or freezes; lay-offs or short-time working.

Dismissed employees are entitled to a statutory redundancy payment and may be entitled to a contractual enhanced redundancy payment depending on the terms of their contract and the custom and practice of their employer.

#### 5. Day in day out...

Disciplinary & grievance issues, absence of leave due to sickness or ill-health & family-related leave can occur at any point. Written policies and clear procedures are essential to manage the expectations of both the employer and employee.

For more information or guidance on any of the issues or processes covered in this article, contact our team of specialist solicitors.

### Meet the team



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Valiant House, 12 Knoll Rise, Orpington, Kent, BR6 0PG Tel: 01689 887887 Fax: 01689 887888 www.cwj.co.uk With October usually comes a raft of employment law changes and 2015 is no exception. Here are some of the changes that employers need to prepare for this autumn.

### 1.National minimum wage increases

This annual employment law change sees the national minimum wage hourly rate increase from £6.50 to £6.70 for adults from 1st October. The rates also increase for young workers and apprentices.

# 2.Tribunals lose power to make wider recommendations

From 1st October, tribunals no longer have any power to make recommendations that go beyond an employee's own circumstances in a discrimination claim. In practice, the power to make recommendations for the benefit of a wider workforce was rarely used.

#### 3.Referrals under the new Fit for Work service

The Government's



new Fit for Work service (FFW) should be fully operational this autumn. The aim of the service is to help employees return to work following a sickness absence. Occupational health advice can be obtained through the FFW website and telephone helpline. Employers will soon be able to refer an employee for a free occupational health assessment when the employee has been absent from work for at least four weeks. Employers in Scotland can already make referrals.

## Half of highly engaged employees take part in personal tasks at work

Highly engaged staff spend more time at work on personal tasks than staff with low engagement levels.

The What's Killing UK Productivity? report found that highly engaged staff are more likely than their less-engaged colleagues to check social media, shop online and take



personal calls from friends. As many as one in five highly engaged staff also arrive late for work up to 50% of the time.

With the research suggesting that taking breaks encourages productivity, here are 5 steps employers can take to improve employee engagement:

- Allow staff to work from home.
- Give people the flexibility to come into work early/late and leave early/late.
- Allow internet access and permit the use of social media.
- Don't chastise employees for doing personal tasks while at work.
- Provide a working environment where staff can chat to colleagues.

Work should be enjoyable and social interaction is proven to create energy and improve social interaction.

## Age-related recruitment bias goes unchecked amongst the majority of companies

87% of employers do not check whether their managers hire workers older than themselves, according to research released this week.

Of the remaining 13% that do measure it, over half found that managers do not hire people older than themselves.

A lack of monitoring around age-related recruitment biases not only means that companies are potentially breaking age discrimination laws, it also means that they might be missing out on a wealth of experience and talent that could benefit their business.

By 2050, the number of people over 65 years old will triple worldwide. Combined with reduced birth rates, the result is likely to be a severe skills shortage.

The research highlights an urgent need for companies to review their age related HR policies and practices. Most reference age in their diversity and inclusion policies, however they do so in relation to retirement only. 84% of participants report that they do need to change processes, behaviours or both in relation to age, in order to retain older workers in the future.

### New study suggests that less than 1% of workers have ever read their contract.

According to a recent study, only one in 166 workers in the UK has ever read their contract or understands its contents. More than half of the people surveyed also said they had no idea where their contract currently is.

While it would seem obvious that employees would read through an important document before putting their name to it, this has been shown to simply not be the case!

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