

Employment Law Legislation Guide



Employment Law Legislation Guide

Contents Employment Law

- 02 Current - recently implemented or due in the next 2 months
- 04 Short term - due in the next 3-6 months
- 05 Medium term - due in the next 6-12 months
- 06 Long term - due in the next 12 months plus
- 07 Did you know?

Current - recently implemented or due in the next 2 months

Legislation	Due Date	Summary
Increase in Annual Compensation Limits	01 February 2012	Increases include: <ul style="list-style-type: none"> — a rise in the maximum award for unfair dismissal from £68,400 to £72,300 — the maximum amount of a week's pay used to calculate a statutory redundancy payment and the basic and additional awards for unfair dismissal up from £400 to £430 — the limit on the amount of a guarantee payment to an employee for any day up from £22.20 to £23.50
Statutory Rate Increases	April 2012	Rates rise as follows: <ul style="list-style-type: none"> — The standard rate of statutory maternity, paternity and adoption pay increases from £128.73 to £135.45 per week from 1 April 2012 — Statutory sick pay increases from £81.60 to £85.85 per week from 6 April 2012 — The national insurance lower earnings limit increases from £102 to £107 — The basic state pension increases from £102.15 to £107.45
Reporting of Injuries, Diseases and Dangerous Occurrences (Amendment) Regulations 2012	06 April 2012	Changes to RIDDOR are effective from 6 April: <ul style="list-style-type: none"> — The period of incapacity before the employer is required to report an injury following an accident at work increases from more than three consecutive days to more than seven consecutive days — The period within which the employer is required to make the report increases from 10 to 15 days
Compromise Agreements - Definition of "Independent Adviser" clarified	06 April 2012	Where a dispute is to be settled using a compromise agreement, an employee must receive advice from an 'independent adviser' before entering into the agreement. Wording in the Equality Act 2010 appeared to exclude a person acting on behalf of the employee (such as a qualified lawyer) to undertake the role of independent adviser. An amendment to the Equality Act now confirms that an employee's representative can be an independent adviser for this purpose.



Current - recently implemented or due in the next 2 months (continued)

Legislation	Due Date	Summary
Unfair Dismissal Rules and Employment Tribunal Hearings	06 April 2012	<ul style="list-style-type: none"> — The qualification period to claim unfair dismissal is doubled from one to two years for employees who join an employer on or after 6 April 2012 — Employees who commence work with their employer prior to 6 April 2012 remain subject to a one year qualification period. <p>Also</p> <ul style="list-style-type: none"> — Unfair dismissal claims will be heard by Employment Judges sitting alone (no lay members) — Other procedural changes affecting tribunals include witness statements being taken as read, the removal of witness expenses and changes to the limits for cost awards and deposit orders.
Apprenticeships	06 April 2012	<p>Under new regulations – "The Apprenticeships (Form of Apprenticeship Agreement) Regulations 2012" – if an apprenticeship agreement meets certain criteria, apprentices must be treated as being employed under a normal employment contract.</p> <ul style="list-style-type: none"> — From 6 April 2012 a new 'prescribed form' apprenticeship agreement will be available, subtly changing the status of apprentices. — The agreement must contain the basic terms of employment required under section 1 of the Employment Rights Act 1996, plus a statement of the skill being acquired. — Apprentices will be entitled to the age-related rate of the National Minimum Wage rather than the apprentice rate. — Employers will have more rights to manage and dismiss apprentices than was previously the case.
Statutory Holiday Provision	April 2012 to March 2013 holiday year	<p>Periodically, Easter in the UK falls twice for employers with an April to March holiday year which may impact on the requirement to provide the minimum amount of statutory holiday. This only affects employers who incorporate bank holidays into their annual holiday provision and offer no more than the statutory minimum of 5.6 working weeks, or 28 days holiday each year (so bank holidays are NOT given in addition to the 28 days holiday).</p> <ul style="list-style-type: none"> — During the 2012/13 April to March holiday year there will be two Good Fridays - but no Good Friday during the 2013/14 leave year. — This could result in some employers providing only 5.4 weeks holiday (27 days) during 2013/14, which will not meet the statutory minimum requirement. — This situation can be resolved by seeking the agreement of employees to reserve one day from the 2012/13 leave year to use in the 2013/14 leave year. <p>This problem will occur again in 2015:</p> <ul style="list-style-type: none"> — Employers face having 30 days of leave in 2015/16 but only 26 days in 2016/17. — Employers could seek the agreement of employees to roll forward two days to 2016 to maintain the statutory minimum.

Employment Law Legislation Guide

Current - recently implemented or due in the next 2 months (continued)

Legislation	Due Date	Summary
Queen's Diamond Jubilee	June 2012	<p>There will be a special four-day Jubilee weekend in June 2012:</p> <ul style="list-style-type: none"> — The late May bank holiday will be put back to Monday 4 June 2012 — An additional Jubilee bank holiday will be added on Tuesday 5 June 2012

Short term - due in the next 3-6 months

Legislation	Due Date	Summary
National Minimum Wage	October 2012	<p>The government has confirmed that the minimum wage for young people under 21 years of age will be frozen for 2012-13 in order to minimise the barriers to job creation. The rates will be as follows:</p> <ul style="list-style-type: none"> — The main rate for workers aged 21 and over will increase by 11p to £6.19 an hour — The Apprentice rate will rise by 5p to £2.65 — The rate for 18-20 year olds will remain at £4.98 per hour — The rate for 16-17 year olds will remain at £3.68 per hour
Pension Auto-Enrolment	Commencing from October 2012	<p>Commencing from October 2012, changes to pension law will affect all employers with at least one worker in the UK:</p> <ul style="list-style-type: none"> — The requirement to automatically enrol certain workers into a pension scheme will come into force in stages, starting with the largest employers first. — There will be a staged introduction over the following months and years for medium sized and small employers. — Each employer will be allocated a date when the duties will apply to them, known as their 'staging date.' The full list of staging dates can be found at: www.tpr.gov.uk/staging. <p>Staging dates are based on the number of people in an employer's PAYE scheme on 1st April 2012.</p>

For further information or guidance on how this legislation will affect your business then call us now **0845 073 0260**



Medium term - due in the next 6-12 months

Legislation	Due Date	Summary
Working Time Regulations - Annual Leave	Proposed as 2012	<p>Proposals include:</p> <ul style="list-style-type: none"> — permitting carry-over of up to 4 weeks of annual leave where (1) a worker has been unable to take their entitlement due to sickness or (2) a worker falls sick during scheduled annual leave, provided it cannot be scheduled in the current leave year — allowing employers to insist that leave untaken due to sickness absence must be taken within one leave year — permitting the carry-over of the full 5.6 week annual leave entitlement where it is untaken due to absence on maternity, adoption, parental and paternity leave — allowing the 'buy out' of up to 1.6 weeks of statutory annual leave (up to 8 days for full time workers)
Vetting and Barring Regime	Expected in November 2012	<p>The Protection of Freedoms Bill is to replace the vetting and barring regime. A body called the Disclosure and Barring Service will replace the Criminal Records Bureau and the Independent Safeguarding Authority (ISA). Until then, the following statutory regulations remain in force:</p> <ul style="list-style-type: none"> — A person barred by the ISA from working with children or vulnerable adults breaks the law by attempting to work or volunteer with such people. — Someone who knowingly employs a barred person to work with either group also breaks the law. — Any employer who dismisses a member of staff or stops someone volunteering (or would have done if they hadn't left of their own accord) because they harmed a child or vulnerable adult, must refer the matter to the ISA. <p>NB Scotland has already introduced its own scheme (Protecting Vulnerable Groups Scheme) and Northern Ireland will probably introduce similar arrangements to England and Wales.</p>
Parental Leave	March 2013	<p>A new EU Parental Leave Directive provides for an increase in parental leave following the birth or adoption of a child (from 13 to 18 weeks per child) from 8 March 2012. The UK Government are taking advantage of a clause in the Directive which allows Member States to delay implementation by a year in certain circumstances.</p> <ul style="list-style-type: none"> — The increase will be incorporated into the new system of flexible parental leave for which policy work is still on-going. — The change will take effect ahead of other planned changes to family-related leave (set to replace the current maternity/paternity schemes) which are not expected to come into force until 2015. — The increase is unlikely to have any major impact in the UK since statutory parental leave is unpaid and it is relatively uncommon for employees to take the leave.

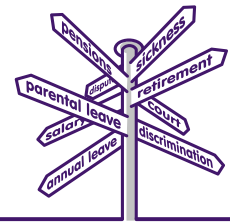
For further information or guidance on how this legislation will affect your business then call us now **0845 073 0260**

Employment Law Legislation Guide

Long term - due in the next 12 months plus

Legislation	Due Date	Summary
Reform of the Employment Tribunal System	April 2013	<p>The Government is proposing that:</p> <ul style="list-style-type: none"> — claimants pay a fee to lodge claims — both parties go through a period of mediation via ACAS before a case proceeds to tribunal — employers who lose unfair dismissal claims may be ordered to pay a penalty to the Treasury — there is rapid resolution of straightforward claims such as holiday pay, which may not involve judges or oral hearings <p>Consultation seeking views on the structure of tribunal fees closed on 6 March 2012. Two options are being considered:</p> <ul style="list-style-type: none"> — Option 1 involves an issue fee and a hearing fee which will vary depending on the nature of the claim — Option 2 involves an issue fee only, variable depending on the nature of the claim and the level of compensation sought <p>If the Government decide on Option 1, fees could be charged from 2013. Option 2 will require primary legislation and would not be introduced until 2014.</p>
Flexible Parental Leave, plus Flexible Working (Replacing current Maternity/ Paternity and Parental Leave schemes)	Proposed as 2015	<p>The Government is proposing that:</p> <ul style="list-style-type: none"> — a new system of flexible "shared parental leave" will be introduced — mothers and fathers will be able to share part of their leave by splitting it between them in whatever way suits them best — consideration be given to extending the right to request flexible working to all employees — changes will NOT be introduced before April 2015 <p>The Government's response to the consultation period has not yet been published.</p>

For further information or guidance on how this legislation will affect your business then call us now **0845 073 0260**



Did you know?

Employment Tribunal Claims

The number of Employment Tribunals claims accepted in 2010-11 fell by 8% compared with the previous year. However, this is an increase of 44% on those accepted in 2008-09. The costs associated with dealing with a claim and ultimately, any award for a successful claim can be significant.

The average award in 2010/2011 for an unfair dismissal claim was £8,924.

Discrimination

2010/11 saw some significant developments in awards for discrimination where age discrimination overtook race discrimination to become the third most frequent type of discrimination claim. What's more, the average award for a successful age discrimination claim was almost triple that of 2009/10.

Type of Discrimination Claim	Claims Accepted	Average Award	Highest Award
Disability discrimination	7,200	£14,137	£181,083
Sexual orientation discrimination	640	£11,671	£47,633
Sex discrimination	18,300	£13,911	£289,167
Race discrimination	5,000	£12,180	£62,530
Age discrimination	6,800	£30,289	£144,100
Religious discrimination	880	£8,515	£20,221
Unfair Dismissal Claims	47,900	£8,924	£181,754

Employers can avoid costly discrimination claims by:

- ✓ Having a clear policy on equality, covering bullying, harassment and discrimination at work, and clarifying that such behaviour will not be tolerated
- ✓ Providing training for managers and employees to help promote awareness, understanding and successful implementation of the organisation's policy and procedure
- ✓ Considering reasonable adjustments to the workplace and taking medical advice, where necessary, if employees have a disability which impacts on their ability to do their job
- ✓ Having clear job descriptions and person specifications in place and following a fair recruitment process focused on finding the person with the skills and abilities to do the job
- ✓ Making sure part-time employees receive comparable, pro-rated remuneration and benefits to their full-time colleagues
- ✓ Having a procedure in place to deal with flexible working requests from employees so that these are dealt with in line with the statutory procedure
- ✓ Having a policy and procedure on requests for leave such as maternity, paternity and adoption leave. A clear procedure will help avoid any disputes and will ensure that entitlements are clearly specified.



Contact us

NorthgateArinso Employer Services is a leading provider of HR, Employment Law and Health & Safety services in the UK. We currently support over 3,000 businesses on a range of issues pertaining to personnel, safety and training.

If you want your business to be up to date and compliant with current and upcoming legislation then call us now on **0845 073 0260**.

NorthgateArinso Employer Services

Warwick House
Hollins Brook Way
Pilsworth
Bury
Lancashire
BL9 8RR

Telephone –
0845 073 0260

Email –
legislationupdates@ngahr.com

Web –
www.northgearinsoemployerservices.com

