



Do you employ staff?

Do you have difficulty understanding
your legal and contractual
responsibilities as an employer?

Do employment problems keep you
awake at night?

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We Wish You All A Very Happy, Healthy and Prosperous New Year!

We have got off to a great start this New Year, by successfully representing a client in an Employment Tribunal. We will share this very interesting case with you in the near future in the form of a case study. In the meantime, this month's newsletter provides you with an outline of forthcoming changes to employment law during 2012.

Employment Law Update 2012

1 February

New tribunal award limits come into force where the event giving rise to the award or payment occurs after 1 February;

- The compensatory award for unfair dismissal increases from £68,400 to £72,300
- The maximum amount of a "week's pay" for the purposes of calculating a basic or additional award of compensation for unfair dismissal or redundancy pay increases from £400 to £430
- The maximum amount of 'guaranteed pay' payable to an employee in respect of short-time working or a lay-off increases from £22.20 to £23.50 per day

8 March

- It is expected that unpaid parental leave will increase from 13 weeks to 18 weeks.

1 April

- The standard rates of statutory maternity, paternity and adoption pay increases from £128.73 to £135.45 per week

6 April

- The standard rate of statutory sick pay increases from £81.60 to £85.85 per week
- The qualifying period for an employee to bring an unfair dismissal claim to an employment tribunal will increase from one year to two years

Changes to the employment tribunal procedure expect to include the following;

- Employment judges will hear unfair dismissal cases alone in the tribunal and judges will hear all cases alone in the Employment Appeal Tribunal, unless they direct otherwise
- Deposit orders (which a Tribunal may order a party to pay as a condition to continue with tribunal proceedings) will increase from £500 to £1,000.
- The maximum amount of a 'costs order', which a tribunal may award in favour of a legally represented party, will increase from £10,000 to £20,000.
- Witness statements are to be taken 'as read' unless a tribunal directs otherwise.
- Tribunals will also have the power to direct that the parties to a dispute are responsible for paying witness' expenses and that the unsuccessful party should reimburse the successful party for any such costs which have already been paid.

June

- There will be an additional bank holiday on Tuesday 5 June 2012 to mark The Queen's Diamond Jubilee. The late May bank holiday will be moved to Monday 4 June 2012 to create a long weekend.

1 October

In line with the Pensions Act 2008 'pension auto-enrolment' begins for larger employers. This means that to comply with the new regulations and avoid substantial fines, employers will have three choices;

- If they already have a pension scheme in place they will need to review the terms to ensure it fully complies with the new regulations, or
- If they haven't already got a pension scheme in place they could be pro-active and use this as an opportunity to start to think about their employees benefits package and install their own Company pension scheme, or
- they could rely on the Government pension option – the National Employment Savings Trust (NEST) which has been designed specifically to meet the needs of low to moderate earners and their employers

The national minimum wage may rise on 1 October 2012, subject to the prevailing economic conditions and the Low Pay Commission's recommendations to be delivered to the Government in February 2012.

Twitter

For those of you interested in social media, we are now on Twitter and you can follow us @HassleFreeHRLtd

If you would like to see a particular topic raised in one of our newsletters, that we have not yet covered, please let us know. Also if you require specialist advice on the forthcoming pension changes we have qualified specialists available who can help.

For clarification of any of the above updates or for advice and guidance on any HR and/or Health and Safety Concerns contact us by emailing cmcdonald@hasslefreehr.co.uk or by calling 02476 664092 or 670381.

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