



Do you employ staff?

2019 Employment Law “Round Up”

Please find below a summary of forthcoming employment legislation for the year 2019. We will also be issuing monthly Employment Law newsletters, when necessary, for the month ahead where possible, so if anything changes and/or if new, unexpected legislation comes into force, we will let you know as soon as possible

1st January 2019

From this date listed Companies with 250 or more employees will be required to annually report the pay ratio between CEOs and average employees. Listed Companies must identify employees on the 25th, 50th and 75th pay quartile when comparing employee earnings to the pay of the CEO, and the CEO's figure must be the “single figure” total remuneration that the Company is legally required to publish in their annual report. The calculations should be made in a similar way to that of the gender pay gap reporting.

The purpose of this new legislation is to ensure that Chief Executives are receiving salaries that are in line with the performance of their Companies. In addition to reporting pay ratios, all listed Companies of this size will be required to report on how employees' and other stake holders' interests are considered, to disclose responsible business arrangements and to ensure shareholders are informed on how shares would be affected when voting on long-term incentive plans.

Listed Companies will need to begin publishing their annual pay ratio reports in 2020.

29th March 2019

On this date the United Kingdom is scheduled to leave the European Union. As no deal has been made with the European Union at this moment in time, it is impossible to say what the impact of this will be to existing or future

employment law, where changes have not yet been announced.

April 2019

During this month the standard rates of **Maternity**, **Paternity**, **Adoption** and **Shared Parental** pay will increase. The **National Minimum Wage**, the minimum an employer can contribute to a **pensions auto-enrolment scheme** and the rate of **Statutory Sick Pay** will also be increasing. We will communicate the new rates in due course.

The Employment Rights Act 1996 (Itemised Pay Statement) (Amendment) Order 2018 will also come in to force, requiring all employers to provide employees and workers with itemised pay slips. Where employees or workers have wages that vary depending upon how much time is worked, the pay slip must total the number of hours worked.

The maximum fine that can be awarded by an Employment Tribunal for an “aggravated breach” of employment law will be increased from £5,000 to £20,000.

2020: The “Good Work Plan”

You may also have recently heard the announcement of the “Good Work Plan” which was announced on the BBC news on the morning of 17 December 2018. This is an introduction to legislation that will be introduced in April 2020 as a result of the “Taylor Review” and will focus on greater rights and clarity being afforded to workers. The new legislation will include:

- the right for all workers to request a more stable contract once they have reached 26 weeks’ service
- the right to receive a written statement of terms (contract of employment) from day one of their employment with an increased amount of mandatory information to be contained within the statement
- agency workers will be entitled to a Key Facts Page setting out important information regarding pay and other terms
- increasing the required period to break continuous service from one week to four weeks, recognising the increasing flexibility of modern work
- lowering the threshold for employees to make a request to introduce information and consultation arrangements from 6 April 2020
- extending the holiday pay reference period to 52 weeks, from 12 weeks, to allow a fairer approach to calculating holiday pay.
- A ban on tip deductions

More information on this legislation will be published nearer the date of implementation.

How We Can Help

Employment Law changes will be announced throughout the year, and we will always endeavour to publish our informative newsletters ahead of these changes, to provide you with the necessary advice and guidance. If you

have any questions about any of the subjects raised in this newsletter, please don't hesitate to contact us via hradvice@hasslefreehr.co.uk