

hasslefree   
**Human Resources & Health and Safety**



hasslefree 

Do you employ staff?

## **Employment Law Update February 2016**

### **Mandatory Gender Pay Gap Reporting**

It is expected that mandatory gender pay gap reporting will be introduced by the 26<sup>th</sup> March 2016. Unfortunately we cannot be as specific with the implementation date of this ruling as we usually are within our Employment Law Updates, this is due to the implementation date not yet being officially announced by the Government, however the Government has to introduce mandatory gender pay gap reporting by the 26<sup>th</sup> March 2016 or they will be out of time to do so.

Gender pay gap reporting is going to become mandatory due to section 78 of the Equality Act 2010, which dictates that Companies must publish information about the difference in pay and bonuses between male and female employees. This new mandatory reporting will apply to private companies, public authorities, and the voluntary sector organisations that employ 250 or more employees. Due to the Small Business and Enterprise Act 2015, employers with less than 250 employees do not have to comply with this mandatory reporting, however they are welcome to comply with the reporting on a voluntary basis if they choose to do so. The armed forces are completely exempt from mandatory gender pay gap reporting.

Companies do not have to change the way they pay their employees, they simply have to be honest in reporting the differences in pay between male and female employees. The idea behind this legislation is that it will “shame” employers who have un-necessary gender pay gaps, which will hopefully help to eliminate this problem. The report should be published on the Company’s website. If a Company fails to co-operate with this new legislation, they will be fined for non-compliance.

It is expected that the reporting requirement could be introduced on a phased basis i.e. companies with 1,000 employees will begin their reporting before companies with 500 employees, however this has not been officially confirmed by the Government and is merely speculation at this time.

We will provide you with some more detailed information about this legislation once more information about the mandatory gender pay gap reporting has been published.

### **How Can We Help?**

If you have any queries relating to any of the subjects raised within this newsletter then please don't hesitate to contact us at [hradvice@hasslefreehr.co.uk](mailto:hradvice@hasslefreehr.co.uk)