



Human Resources & Health and Safety



Do you employ staff?

September Employment Law Update

Auto-Enrolment Increase

On the 1st October 2016 the Employers' Duties (Implementation) (Amendment) Regulations 2016 come into force. This regulation will amend the scheduled dates, as set out in the Employers' Duties (Implementation) Regulations 2010 (SI 2010/4), for the planned increases to the minimum level of contribution for the pensions auto-enrolment. The planned increase, to 5% minimum contribution (2% employer), was scheduled to happen in October 2017 but it will now take effect in April 2018 to align the increase with the beginning of the tax year. Similarly, the planned increase to 8% (3% employer) that was scheduled for October 2018 is now also rescheduled to April 2019.

National Minimum Wage Increases

The annual increase to the NMW will apply from the 1st October 2016, and are as follows:

- £3.40 per hour for apprentices aged under 19 years of age or aged 19 and over who are in the first year of their apprenticeship.
- £4 per hour for employees aged 16-17 years old.
- £5.55 per hour for employees aged 18-20 years old.
- £6.95 per hour for employees aged 21-24 years old.

The National Living Wage, for employees aged 25 years and over, is unaffected by these regulations and remains at its initial rate of £7.20 per hour.

Also expected in autumn 2016...

On a yet to be specified date in Autumn 2016, sponsoring employers who recruit migrant workers under tier 2 of the points-based immigration system (skilled workers who are citizens of countries outside of the European Economic Area) must pay those workers a minimum salary of £25,000. This will then be further increased to £30,000 in April 2017. Please note that Nurses, Radiographers, Paramedics and Secondary School Teachers in Mathematics, Physics, Chemistry, Computer Science and Mandarin are exempt from these changes until July 2019. The minimum threshold for new entrants will remain at £20,800.

As well as the above 'minimum salaries', sponsoring employers employing tier 2 migrant workers will also be charged a new immigration skills charge of £1,000 per migrant worker per year. There will be a reduced rate of £364 for small and charitable organisations.

Both changes have been introduced to reduce the reliance many employers have on migrant workers, and incentivise them to invest in the training and up skilling of UK workers.

Futue Employment Law Changes

There are times when the Government announces employment law changes suddenly or at the very last minute. When this occurs we will endeavour to update you as early as possible. In an effort to prepare you for up and coming changes, we have taken the liberty of preparing a short list of imminent changes that do not currently have implementation dates:

- The Small Business, Enterprise and Employment Act 2015 will fully come into force over the next few years. This Act contains various provisions relating to employment law, tribunal procedures, and pay. Each time a section of this Act is introduced it will be reported on individually.
- The Trade Union Bill will reform the rules on trade union ballots in order for unions to take strike action. We will address this issue once the implementation date and more information 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