



# PEOPLE matter



## What's happening in April?

This April, the 'fit note' will replace the 'sick note'. GPs can now state that the employee is either 'not fit for work' or 'may be fit for some work taking account of the following advice ...' Now, as the GP will not have the job description nor have seen the work place, one wonders how helpful this will be. Do ring The HR Dept for advice on light duties or phased return to work.

For employers with 250 staff or more, the new right to request unpaid time off work to undertake study or training will come into force on 6th April 2010. This will be extended to cover all businesses from 6th April 2011. Employers are required to seriously consider any requests and respond within a set time frame. Requests may be refused when there is a good business reason to do so.

New rates of statutory maternity pay (SMP), statutory paternity pay (SPP) and statutory adoption pay (SAP) will take effect from April 2010 increasing from £123.06 per week to £124.88 per week.

Arguably the most wide ranging and long-anticipated piece of legislation, The Equality Bill, is due to come into force in 2010. This is a huge bill and although it will be pushed through, timescales will vary depending on the different aspects. We will keep you up to date as changes are due.

## Stake your claim

For employers, the threat of an employment tribunal claim can evoke a feeling of impending doom. But for some job-seekers, including a 54 year old man from Bristol, it can present itself as nothing less than a 'golden opportunity'. Serial litigant John Berry has lodged age discrimination claims against at least 60 firms over three years due to their use of the words 'school leaver' or 'recent graduate' in job advertisements. Although his claims are consistently struck out by tribunal chairmen as 'misconceived' and 'vexatious', it is understood that he has made thousands of pounds from settlements. And it seems Mr. Berry is not alone, in a similar case a 50 year old experienced accountant made multiple applications for jobs suitable for newly qualified accountants and made more than £20,000 in settlement of her claims before the EAT ruled against her.



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People Matter is a regular bulletin for business owner/managers who want the staff, but don't want the hassle of dealing with all the red tape that comes with them.

If this was forwarded to you, and you'd like to receive more bulletins on getting more from your team, please email with 'People Yes' in the subject line. If you no longer wish to receive bulletins from us, please email with 'People No' in the subject line.

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## Working my last nerve

Employees who broach the subject of stress at work with their managers will most probably elicit the response "Stress!? They don't know what stress is!! I'll show them stress!" Recently, there has been much talk in the press about work place stress. Research shows flexible working is beneficial to the physical and mental health of employees.

Apparently, those who can decide on their working hours may even have healthier blood pressure and heart rates. This comes after a think tank recently recommended a 21-hour week. Idealistic?? How on earth would we get anything done, let alone afford to live! However, the issue of stress at work is a serious one and must be handled carefully. If you do not follow a proper process, and an employee comes back into work before they are ready or no changes have been made to the employees working conditions and there are subsequent repercussions, the company may be liable.

So for those employees off sick due to stress, have a return to work interview and review what changes or support are needed to ensure it doesn't happen again. This applies for both the genuine ones and those who use it as an excuse to avoid a disciplinary meeting!



# Performance management



The recession has changed the face of many businesses. Companies have downsized and are much leaner than when life was plentiful. Leanness means doing more work with less people and often for less money for the company and the employee. When times are tough it is important that the whole company pulls together to form a high performing team. Managing performance ensures that everyone understands what is expected of them, that they have the knowledge and skills to deliver and the opportunity to contribute to the company aims and objectives. A good appraisal system is an essential tool in delivering this. To do appraisals well you have to invest some time and effort but the payback is huge. All companies need to plan their goals for the next year. These objectives are then cascaded throughout the company so all employees understand the part they have to play. Of course, objectives do need to be **SMART: Specific, Measurable, Achievable, Realistic and Time bound**. The old adage 'if you can't measure it you can't manage it' is as true today as ever!

The round of appraisals may seem like a chore but taking the time to reflect and listen to your employees will help you grow your business. We always recommend that development reviews are not carried out at the same time as salary reviews. Designing a system that is not overly bureaucratic and fits your culture and business is essential so that managers do not regard it as a pointless form filling exercise. Training staff and managers on how to get the most out of the system is a worthwhile investment that The HR Dept can also help you with.

Finally, for poor performers there is no longer a hiding place. One customer told us he has a grading system for his staff: A is for achievers, B for the hard working beavers, C for the coasters and D for those in the departure lounge!

## Onwards and outwards

A recent survey shows that outsourcing is on the up. Not so long ago, it was the preserve of the biggest companies who turned to outsourcing to cut costs. These days however, smaller companies routinely outsource their HR, payroll, accounting, distribution, and many other important functions. For the small business owner, outsourcing makes perfect sense. Not only will it save on cost and efficiency but it also allows you to focus all your energy on your business. Outsourced companies have to stay up to date with all the technical aspects of their profession whereas in house staff often do not have this level of investment in training. However, for those considering a shift, there are some important points to consider; the first being TUPE. The Transfer of Undertakings (Protection of Employment) Regulations (TUPE) is designed to protect employees' terms and conditions when a business or part of one, or service provision is transferred to a new employer. In real terms this

means that if a company decides to outsource a service and there is already a member of staff in-house whose job this is; TUPE could well apply. This is a notoriously complex piece of legislation, but one where it is very costly to get

wrong, as the penalty for not consulting can be as high as 90 days actual pay for each member of staff. Don't let this put you off though, outsourcing to reliable expert business partners is the best way to grow your business, but do ring us for advice.

## THE INDICATOR

### Employment and litigation issues

#### STATUTORY PAY (rates are reviewed each April)

**Maternity/Adoption pay** – SMP/SAP is paid for 39 weeks.

Pay rate for first 6 weeks of SMP: 90% of the employee's average weekly earnings. SMP remaining weeks/SAP: £123.06 or 90% of average weekly earnings, whichever is less.

**Sick pay** – £79.15 a week

#### REDUNDANCY PAY (next review February 2011)

**Pay rate** – 0.5 weeks pay for each year of service for employees aged under 22 (a weeks pay is calculated at £380 or the weekly amount if it is less). 1 weeks pay for each year of service for employees between the ages of 22 and 40. 1.5 weeks pay for each year of service for employees aged 41 and older.

#### NATIONAL MINIMUM WAGE (reviewed each October)

**Hourly pay rate** – £5.80 workers aged 22 and older, £4.83 workers aged 18 to 21, £3.57 workers aged 16 to 17.